

DRINKING WATER BOARD
PACKET

NOVEMBER 17, 2006

SALT LAKE CITY, UTAH

AGENDA

MORNING WORK MEETING

DRINKING WATER BOARD
AND THE
WATER QUALITY BOARD



State of Utah

Department of Environmental Quality

Dianne R. Nielson, Ph.D.
Executive Director

DIVISION OF DRINKING WATER
Kevin W. Brown, P.E.
Director

Drinking Water Board
Anne Erickson, *Chair*
Myron Bateman, *Vice-Chair*
Ken Bassett
Jay Franson
Helen Graber, Ph.D.
Paul Hansen, P.E.
Laurie McNeill, Ph.D.
Dianne R. Nielson, Ph.D.
Petra Rust
Ron Thompson
Kevin W. Brown, P.E.
Executive Secretary

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

DRINKING WATER BOARD And WATER QUALITY BOARD MEETING

November 17, 2006

Place: Department of Environmental Quality
168 North 1950 West, Room 101
Salt Lake City, Utah 84116
Phone: (801) 536-4200

- | | | |
|------------|-----|---|
| 9:30 a.m. | 1. | Welcome and Introductions – Chairman Erickson |
| 9:40 a.m. | 2. | Update on UIC Database – Mark Jensen and Candace Cady |
| 10:00 a.m. | 3. | Discussion on New Agricultural Lagoon Liner Standards – Dan Hall |
| 10:20 a.m. | 4. | Discussion of Proposed Legislative Issues:
a. In-stream Flow Legislation - John Kennington
b. Water Conservation Legislation - Dennis Strong
c. Loan Program Legislation – Ken Wilde |
| 10:50 a.m. | 5. | Aquifer Classifications – Rob Herbert |
| 11:20 a.m. | 6. | Water Quality Standards and Beneficial Use Classifications – Bill Moellmer |
| 11:50 a.m. | 7. | Other |
| 12:00 p.m. | 8. | Lunch – Catered by Famous Dave's Bar-B-Que |
| 12:45 p.m. | 9. | Adjourn for Separate Board Meetings |
| 1:00 p.m. | 10. | Drinking Water Board Meeting in Room 101
Water Quality Board Meeting in Room 201 |

In compliance with the American Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Charlene Lamph, Office of Human Resources, at (801) 536-4413, TDD (801) 536-4414, at least five working days prior to the scheduled meeting.

AGENDA
FOR THE
DRINKING WATER BOARD
MEETING
OF
NOVEMBER 17, 2006



State of Utah

Department of
Environmental Quality

Dianne R. Nielson, Ph.D.
Executive Director

DIVISION OF DRINKING WATER
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Executive Secretary

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Governor

GARY HERBERT
Lieutenant Governor

**DRINKING WATER BOARD
MEETING**

November 17, 2006

1:00 p.m.

Place: 168 North 1950 West, Room 101
Salt Lake City, Utah 84116
Kevin's Cell Phone #: (801) 558-7803

1. Call to Order – Chairman Erickson
2. Roll Call – Kevin Brown
3. Introductions – Chairman Erickson
4. Approval of Minutes – September 8, 2006
5. Mountain View Community Park, LLC Public Hearing
6. SRF/Conservation Committee Report – Vice Chairman Myron Bateman
 - 1) Status Report – Ken Wilde
 - 2) State SRF Applications – Rich Peterson
 - a) Circleville Town
 - b) Teasdale Town
 - c) Clarkston Town
 - d) Glen Canyon SSD
 - e) Orderville Town
 - 3) Federal SRF Applications – Karin Tatum
 - a) Central Iron County WCD Phase II
7. Approval of Executive Secretary, Assistant Executive Secretary and Acting Director – Kevin Brown
8. Mutual Aid Agreement (WARN – U) – Dale Pierson

9. Minimum Pressure Rule – Set Effective Date – Bill Birkes
10. Proposed Rule Political Subdivision Rule – Ken Wilde
11. Chairman's Report – Chairman Erickson
12. Directors Report
 - a) Staff Update:
 1. Michael Grange
 2. Other
 - b) Board Members Website
 - c) Approval of the 2007 Board Meeting Schedule
 - d) Schedule December Board (Conference Call) Meeting to Authorize Administrative Filing for Adoption of EPA Rules: LT1, LT2 and Stage 2
 - e) Rural Water Association of Utah's Annual Conference
– February 27, 2007 – March 2, 2007
 - f) Twenty-five (25) Worst Drinking Water Systems
 - g) New/Upcoming EPA Rules Update
 1. Groundwater
 2. Distribution System
13. Update
14. Letters
15. News Articles
16. Next Board Meeting
 - Date: January 19, 2007
 - Work Meeting: 168 North 1950 West, Room 101
Salt Lake City, Utah 84116
 - Time: 8:30 a.m.
 - Board Meeting Place: DEQ
 - Address: 168 North 1950 West, Room 101
Salt Lake City, Utah 84116
17. Other
18. Adjourn

In compliance with the American Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Charlene Lamph, Office of Human Resources at (801) 536-4413, TDD (801) 536-4424, at least five working days prior to the scheduled meeting.

AGENDA ITEM 4

APPROVAL
OF THE

SEPTEMBER 8, 2006
MINUTES



State of Utah

Department of Environmental Quality

Dianne R. Nielson, Ph.D.
Executive Director

DIVISION OF DRINKING WATER
Kevin W. Brown, P.E.
Director

Drinking Water Board
Anne Erickson, Ed.D., *Chair*
Myron Bateman, *Vice-Chair*
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Kevin W. Brown, P.E.
Executive Secretary

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

MINUTES OF THE DRINKING WATER BOARD MEETING HELD ON SEPTEMBER 8, 2006 IN SALT LAKE CITY, UTAH

Board Members Present

Anne Erickson, Ed.D., *Chair*
Myron Bateman, *Vice Chair*
Daniel Fleming
Jay Franson, P.E.
Paul Hansen, P.E.
Laurie McNeill, Ph.D.
Petra Rust
Ronald Thompson

Board Members Excused

Kenneth Bassett
Helen Graber, Ph.D.
Dianne Nielson, Ph.D.

Staff

Ken Wilde
Rich Peterson
Karin Tatum
Julie Cobleigh
Heather Bobb
Linda Matulich

Guests

Victoria Hegewald, Erda Acres Water Co.
Falk Hegewald, Erda Acres Water Co.
Al Deware, Erda Acres Water Co.
Alan Clark, Erda Acres Water Co.
Verl Bagley, Greenwich Water Assoc.
Gary DeLeeuw, Greenwich Water Assoc.
John Chartier, Sunrise Engineering
Jeff Matheson, Metropolitan WD
Delmas Johnson, Central Iron County WCD
Eric Franson, Franson Noble Engineering
Dustin Matsumori, George Baum/Logan
Doug Nielsen, Sunrise Engineering
Mark Neilsen, Logan City
Dale Pierson, Rural Water Association
Marie Owens, Jordan Valley WCD

ITEM 1 - CALL TO ORDER

The Drinking Water Board convened in Salt Lake City, Utah with Chairman Erickson presiding. The meeting was called to order at 1:05 p.m.

ITEM 2 - ROLL CALL

Chairman Erickson asked Ken Wilde to call roll of the Board members. The roll call showed there were 8 members present at the time.

ITEM 3 – INTRODUCTIONS

Chairman Erickson welcomed everyone and asked the guests to introduce themselves.

ITEM 4 – MINUTES OF JULY 14, 2006

Chairman Erickson stated a motion to approve the Emigration Special Service District Tour minutes and the July 14, 2006 Drinking Water Board minutes would be in order.

1. Tour of Emigration Special Service District Minutes – For Review

Daniel Fleming moved to approve the Emigration Special Service District's Tour minutes.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

2. July 14, 2006 Meeting Minutes – For Approval

Petra Rust moved to approve the July 14, 2006 Drinking Water Board minutes.

Ron Thompson seconded.

**CARRIED
(Unanimous)**

ITEM 5 – SRF/CONSERVATION COMMITTEE REPORT

1) Status Report – Ken Wilde

Ken Wilde reported the Board has \$2,309,908 in the State Loan Fund, and almost \$700,000 in the Hardship Grant Fund for a total of \$3,004,668 in the State Loan Fund. There are some funding projections listed in the packet. There are also some projects, with projected dates on when the loan closings should be, listed in the packet. The Board will have about \$10,000,000 available to use in the State Loan Fund over the next 10 months.

As of June 30, 2006, the Board has \$4,900,000 in the Federal Loan Fund. The State match will be transferred in to this Fund. Staff is anticipating another \$12,000,000 in the Hardship Grant Fund and Repayments Account. The Board will have almost \$17,000,000 in the Federal Loan Fund to use over the next 10 - 12 months. There is a list of open projects that have been authorized from the Federal Loan Fund. There are several projects that will be ready to close soon.

2) Federal SRF Applications – Karin Tatum

a) Logan City – Ken Wilde

Ken Wilde reported the Board authorized Logan City a loan of \$3,345.00 at 0.8% for 20 years at a previous meeting. Rather than provide principle forgiveness, the interest rate was decreased to provide an equivalent cost to Logan City. Logan City would like to sell some other tax exempt municipal bonds. Logan City is requesting the Board consider letting them issue taxable bonds.

In order to off-set the bond to the Board of buying non-taxable bonds, the SRF Conservation Committee is recommending the Board authorize Logan City to issue taxable bonds at an interest rate of 1.14%.

Mark Nielsen and Dustin Matsumori, Logan City representatives, addressed the Board.

Laurie McNeill mentioned she is a resident of, but not employed by, Logan City. She stated she doesn't have a conflict of interest with Logan City's request.

Discussion followed.

Daniel Fleming moved the Board allow Logan City to sell "Taxable" bonds to the Board, rather than "Tax-exempt" bonds. This will increase the interest rate by 0.34% from 0.08% to 1.14%.

Jay Franson seconded.

**CARRIED
(Unanimous)**

b) Greenwich Water Association Planning – Karin Tatum

Jay Franson declared a conflict of interest and abstained from voting. Jay Franson stayed in the Board meeting.

Karin Tatum mentioned the Greenwich Water Association is requesting a planning advance of \$20,000 at 0% for 5 years to assist them with evaluating deficiencies in their source, storage and distribution line, and to determine the best way to move forward on the project.

Eric Franson, Gary DeLeeuw and Verl Bagley, Greenwich Water Association representatives, addressed the Board.

Discussion followed.

Ron Thompson moved the Board grant a planning advance for \$20,000 at 0% for 5 years, and be consistent with the SRF Conservation Committee's recommendation to repay the \$4,000 annually. The payments will begin one year from the date the loan agreement is signed, and with the intent that the planning advance will address any issues within the compliance report. The applicant may elect to roll the balance of any loan principle into a future construction loan.

Paul Hansen seconded.

CARRIED

Seven voted yes. Jay Franson abstained from voting.

c) CICWCD Planning – Karin Tatum

Karin Tatum reported the Central Iron County Water Conservancy District (CICWCD) is requesting a planning advance of \$75,000 to continue working on their project. The District has started on Phase I by working on their source, storage and distribution of the current facility. The District is planning on hooking up several more connections. The District submitted an application for Phase II.

Delmas Johnson, CICWCD's representative, addressed the Board.

Discussion followed.

Ron Thompson moved the Board authorize the SRF Conservation Committee's recommendation of a \$75,000 planning advance at 2.46% for 5 years. CICWCD will repay \$15,000 plus interest annually, beginning one year from the date the loan agreement is signed, and with the intent that the planning advance will address any issues within the compliance report. The applicant may elect to roll the balance of any loan principle into a future construction loan at the interest rate calculated for the construction loan.

Jay Franson seconded.

**CARRIED
(Unanimous)**

d) Erda Acres Planning – Karin Tatum

Karin Tatum reported Erda Acres is requesting a \$20,000 Planning Grant to evaluate the growth in their community. The SRF Conservation Committee has discussed the best options available with Erda Acres on their growth issues. Erda Acres is willing to look at regionalization.

Falk Hegewald, Al Deware, Alan Clark, and John Chartier (Sunrise Engineering), Erda Acres representatives, addressed the Board.

Discussion followed.

Ron Thompson moved the Board authorize a \$20,000 Planning Grant to Erda Acres Water Company with the intent that the planning advance will address any issues within the compliance report.

Daniel Fleming seconded.

**CARRIED
(Unanimous)**

ITEM 6 – CROSS CONNECTION COMMISSION RENEWALS

Ken Wilde reported staff is recommending the Board approve Dan Smith, Gary Jenkins, Tim Collings, and Jeff Tingey to serve a 2-year term on the Cross Connection Control Commission.

Discussion followed.

Myron Bateman moved the Board approve Dan Smith, Gary Jenkins, Tim Collings, and Jeff Tingey to serve a 2-year term on the Cross Connection Control Commission.

Anne Erickson seconded.

**CARRIED
(Unanimous)**

ITEM 7 – MINIMUM PRESSURE RULE

Ken Wilde mentioned the Board revised the Minimum Pressure Rule last year. Staff reviewed the final Rule that was passed on March 3, 2006. It appears the Rule doesn't say what the Board intended or what staff thought it said. Staff is bringing the Minimum Pressure Rule back to the Board to make sure it is written correctly.

The revised rule requires that: (1) "Existing public drinking water systems approved prior to January 1, 2007, which expand their service into new areas or supply new subdivisions shall meet the minimum dynamic water pressure requirements in R309-105-9(2) at any point of connection in the new service areas or new subdivisions.", and (2) "all new public drinking water systems constructed after January 1, 2007 shall be designed to meet the new minimum pressure requirements.".

Ron Thompson moved the Board authorize staff to file the approved amendments with Administrative Rules for publication in the Utah Bulletin on October 1, 2006.

Paul Hansen seconded.

**CARRIED
(Unanimous)**

ITEM 8 – CHAIRMAN'S REPORT

Chairman Erickson commented on an article that was printed in the DEQ Newsletter on the completion of the new Drinking Water database.

Chairman Erickson commended Ken Bousfield, Brett Shakespear, Mark Jensen, and Bob Shipman, for the work they accomplished over the last 2 ½ years on the new program.

Chairman Erickson asked Ken Wilde to thank Ken Bousfield, Mark Jensen, Brett Shakespear, and Bob Shipman for the work they accomplished on the new database on behalf of the Drinking Water Board.

ITEM 9 – DIRECTORS REPORT

1. Final 2007 Drinking Water Board Meeting Schedule

Ken Wilde mentioned he will pass on the suggested changes for the 2007's Drinking Water Board Meeting schedule to Kevin.

Ken mentioned the SRF Conservation Committee Schedule is also included. The schedule shows the cut-off dates that applications must be in to staff. After the SRF Conversation Committee meeting, the material will be completed and submitted for the next Board meeting.

Discussion followed.

2. Town of Alta's Report of Available Water

Ken Wilde reported a public hearing was held at the March 3, 2006 Board meeting on the availability of water to the Town of Alta. Staff was able to close this issue for the Town of Alta.

Discussion followed.

3. Mountain View Hearing for the November 17, 2006 Drinking Water Board Meeting

Ken Wilde mentioned there will be a public hearing on Mountain View at the beginning of the Board meeting on November 17, 2006.

Discussion followed.

ITEM 10 – NEWS ARTICLES

The news articles are in the packet.

ITEM 11 – LETTERS

The letters are in the packet.

ITEM 12 – NEXT BOARD MEETING

The next Board meeting is scheduled for November 17, 2006. There will be a Board meeting in the morning with the Water Quality Board and lunch. The Drinking Water Board and the Water Quality Board will then hold separate Board meetings in the afternoon.

ITEM 13 – OTHER

Chairman Erickson mentioned how much the Board appreciates their association with the Rural Water Association of Utah. The Board also appreciates Dale Pierson for coming to the Board meetings on behalf of the Rural Water Association of Utah.

Daniel Fleming mentioned that Boyd Workman got married. A card will be sent to Boyd Workman from the Board.

ITEM 14 – ADJOURN

Chairman Erickson stated a motion to adjourn the Board meeting would be in order.

The motion to adjourn the meeting at 1:50 p.m. was made and seconded.

**CARRIED
(Unanimous)**

Linda Matulich
Recording Secretary

AGENDA ITEM 5

MOUNTAIN VIEW COMMUNITY PARK LLC
PUBLIC HEARING

STATE OF UTAH
OFFICE OF THE ATTORNEY GENERAL



MARK L. SHURTLEFF
ATTORNEY GENERAL

RECEIVED
SEP 14 2006
Drinking Water

RAYMOND A. HINTZE
Chief Deputy

Protecting Utah • Protecting You

KIRK TORGENSEN
Chief Deputy

September 13, 2006

John L. Johnson, Managing Member
Mountain View Community Park, LLC
7 South Main Street #201
Tooele, Utah 84074

Notice of Hearing

Dear Mr. Johnson:

By letter dated July 11, 2006, you requested a hearing before the Utah Drinking Water Board on a Notice of Collection of Stipulated Penalties dated June 13, 2006.

Please be advised that the hearing before the Utah Drinking Water Board will take place at its Friday, November 17, 2006, meeting which begins at 1:00 pm and will be in Room 201 at the Department of Environmental Quality, 168 North 1950 West, Salt Lake City, Utah 84116. Pursuant to the rules of procedure of the Board (UAC R.309-115-7(5)(a), the Executive Secretary will prepare (no later than Friday, October 27, 2006) a draft list of pre-hearing documents to be presented to the Board prior to the hearing, and you will be sent the list. You must notify Melissa Hubbell (801-366-0284), the attorney who represents the Executive Secretary, within 7 days of receipt of the list if you propose to add documents to or propose deletion of documents from the list.

If you have any questions, please feel free to call me (801-366-0285).

Sincerely,

A handwritten signature in dark ink, appearing to read "Fred G. Nelson".

Fred G Nelson
Counsel, Utah Drinking Water Board

Cc: Melissa Hubbell
Kevin Brown

AGENDA ITEM 6

SRF/CONSERVATION COMMITTEE
REPORT

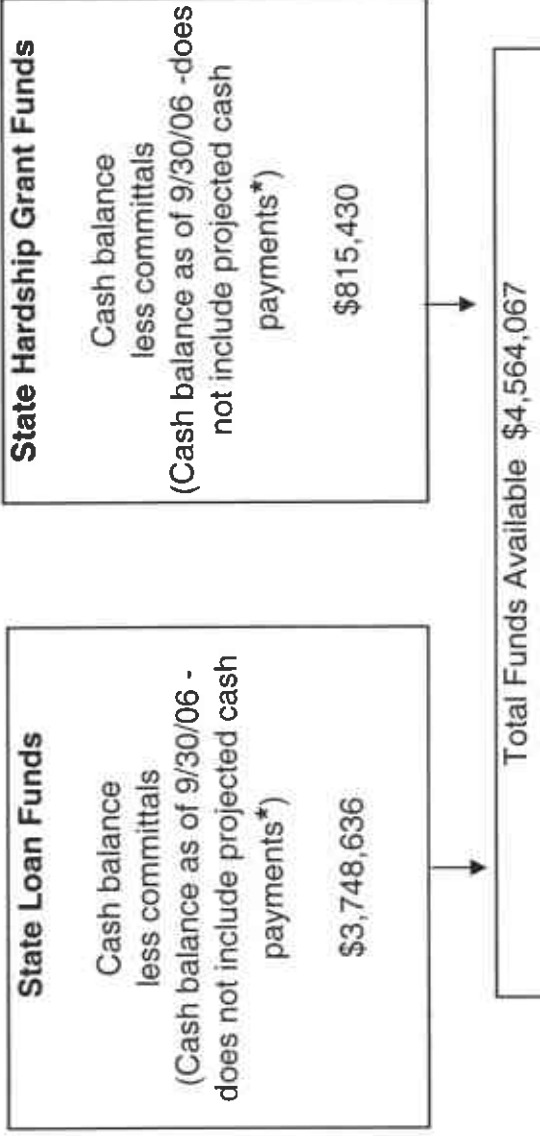
6. 1) STATUS REPORT – Ken Wilde

DIVISION OF DRINKING WATER

STATE LOAN FUNDS

CASH BALANCE AS OF SEPTEMBER 30, 2006

All interest payment and investment earning are deposited to the Hardship Grant Fund



The FY 2006 sales tax maximum of \$3,587,500.

*Projected repayments Oct 1, 2006 to Sept 30, 2007

- 1- principal payments \$2,612,800 plus interest \$539,206.
- 2- investment earnings \$480,000.
- 3- FY2007 sales tax \$3,587,500.

Total Funds Available Including Projected \$11,783,573

DIVISION OF DRINKING WATER

STATE LOAN FUNDS

PROJECTS AUTHORIZED BUT NOT YET FUNDED

AS OF Sept 30, 2006

Community	Loan #	Cost Estimate	Date Authorized	Date Closed/Anticipated	Authorized Funding		
					Loan	Grant	Total
Garden City	3S048	2,700,000	September-02	Spring 07	\$1,746,000		\$1,746,000
West Erda	3S074	760,000	June-04	?	380,000	380,000	760,000
Vernon (org auth 1/2005?)	3S090		March-06	December-06	686,000	391,000	1,077,000
Enterprise	3S092	7,000	May-06		7,000		7,000
Panglitch	3S093		May-06	October 19, 2006	138,000	35,000	173,000
Cedar Fort 2.38% @ 20 yr	3S095		July-06	November-06	506,000		506,000
Gunlock 3.33% @ 20 yr	3S094		July-06	January-06	263,000	86,000	349,000
Total authorized but not yet funded					\$3,726,000	\$892,000	\$4,618,000
FY 2007 Federal SRF 20% match					\$1,637,500		\$1,637,500
DDW Administrative charge					81,900		81,900
DDW Board Admin Fee					73,000		73,000
Grand Total					\$5,518,400	\$892,000	\$6,410,400
*Garden City closed BAN for \$254,000 6/19/06, \$33,000 planning advance disbursed to Garden City earlier.							
Milville loan #3S091 closed Aug 3, 2006 for \$1,919,000 (\$178,000 was grant).							
Escalante planning grant was paid out in Sept, 2006 for \$10,000							

DIVISION OF DRINKING WATER

FEDERAL SRF

AS OF September 30, 2006

1997 thru 2006 SRF Grants		Principal Repayments	
NET FED SRF GRANTS	\$67,342,670	Principal	\$7,012,012
TOTAL STATE MATCHES	\$16,712,820	Interest	\$502,552
TOTAL GRANTS \$	\$84,055,490	Interest	\$7,514,564
Earnings On Invested Cash Balance \$842,560		Hardship Fees	
Projected receipts next twelve months: Payment: 2007 Fed SRF Grant State 20% Match for FY 2007 Interest on Investments Principal payments Interest Hardship fees Total		Earned	\$1,979,691
		Committals	(579,500)
		Available	\$1,400,191
SUMMARY (HOW THE FUNDS HAVE BEEN USED)			
TOTAL LOAN FUND ADDITIONS		\$93,812,805	
LESS: CLOSED LOANS		(77,987,246)	
AUTHORIZED (schedule attached)		(10,888,000)	
AVAILABLE CASH 9/30/2006 *		4,937,559	
Total Estimated Federal SRF Funds Available through 9/30/2007		\$16,827,777	

*The remaining federal cap grant fund balance available for projects currently under construction totals \$18,183,100.

DIVISION OF DRINKING WATER										
FEDERAL SRF										
PROJECTS AUTHORIZED BUT NOT YET CLOSED										
AS OF SEPTEMBER 30, 2006										
Community	Project Total	Terms	Loan #	Authorized Date	Closing Date Scheduled	Loan	Forgiveness	Total	Hardship Fees	
Twin Creeks #2	1,200,000	0% int 30 yrs	3F028	Apr-03	Feb/Mar 07	360,000	90,000	450,000		
Croydon 20 yrs	334,000	0% int 20 yrs	3F037	Aug-04	?	327,000		327,000		
St George	15,000,000	1.77% int 20 yrs	3F047	Mar-05	?	6,000,000		6,000,000		
Woodland Kolob Acres	450,000	3.63% int 15 yrs	3F048	Mar-05	?	450,000		450,000		
Logan #3	9,545,000	0.8% int 20 yrs	3F052	May-05	Feb/Mar 07	3,000,000		3,000,000		
Portage	1,090,500	2.57% int 20 yrs	3F054	Sep-05	Jan/Feb 07	546,000		546,000	544,500	
Enterprise	184,000	n/a	3F049	Mar-05	Sep-06			0	15,000	
Beaver Dam Water	20,000	planning loan	3F062	May-06	Sep-06	20,000		20,000		
Greenwich	20,000	planning loan	Unknown	Sep-06	Nov-06	20,000		20,000		
Central Iron WCD	75,000	planning loan	Unknown	Sep-06	Dec-06	75,000		75,000		
Erda Acres	20,000	planning grant	Unknown	Sep-06	Nov-06				20,000	
Total						\$ 10,798,000	\$ 90,000	\$ 10,888,000	\$ 579,500	
Recent loan closings:										
Saratoga Springs	3,997,087	3.2% int 20 yrs	3F059	March-06	May-06	3,500,000		3,500,000		
Kane County	14,092,140	1% hs 30 yrs	3F061	March-06	May-06	3,990,000	2,250,000	6,240,000		
Pine Meadow MWC	4,015,000	3% int 20 yrs	3F058	May-06	Jun-06	3,695,000		3,695,000		
Snowville	1,173,000	0% int 30 yrs	3F046	Mar-05	Jul-06	650,000		650,000		

6. 2) STATE SRF APPLICATIONS –
Rich Peterson

a) CIRCLEVILLE TOWN

**DRINKING WATER BOARD
PLANNING LOAN
AUTHORIZATION**

APPLICANT'S REQUEST:

The Town of Circleville is located 52 miles south of Richfield in Piute County. They are requesting \$20,000 from the Drinking Water Board for a planning study, which will outline necessary capital improvements.

STAFF COMMENTS:

Based on the local MAGI and projected expenses, the town does not qualify for grant money. Their resulting water bill would be 1.51% of local MAGI. They currently have a water bill of \$18.32 per month based on their revenue and number of connections.

The scope of work must be approved by Division staff before the Town may proceed with the study. The study will include a determination of how to resolve the appropriate issues on their compliance report with the proposed construction project. This loan may be paid back as 5 annual payments or be rolled into project funding, if the Town comes back to the Board for further assistance.

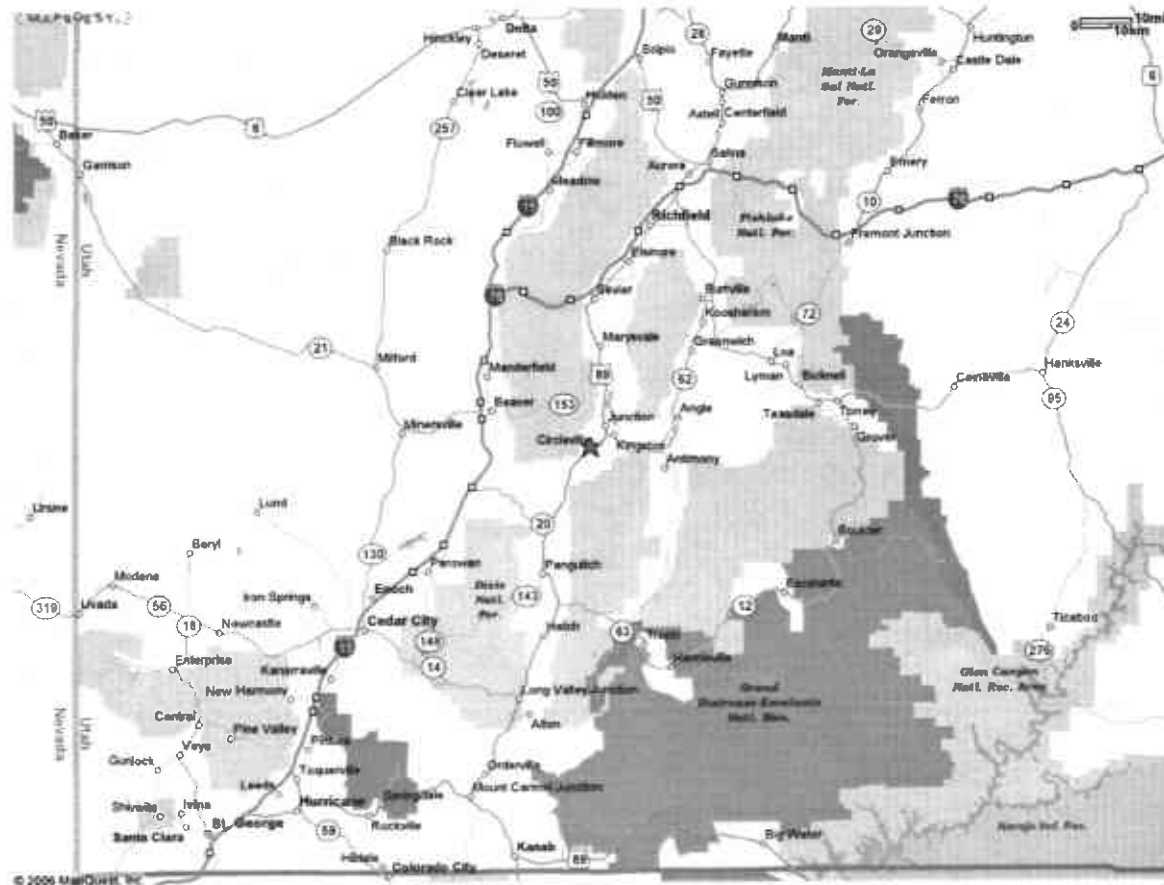
SRF/ CONSERVATION COMMITTEE RECOMENDATION:

The Drinking Water Board authorize a planning loan of \$20,000 at 0% for 5 years.

APPLICANT'S LOCATION:

The Town of Circleville is located in Piute County approximately 52 miles south of Richfield.

MAP OF APPLICANT'S LOCATION:



SCOPE OF WORK:

Perform a planning study to determine the capital improvements needed by the Town and provide a written document which outlines improvements.

POPULATION GROWTH:

IMPLEMENTATION SCHEDULE:

Apply to Drinking Water Board for funding:	September 2006
Drinking Water Board funding authorization:	November 2006
Commence planning study:	
Complete planning study:	

COST ESTIMATE:

Planning Study	<u>\$20,000.00</u>
Total Planning cost	\$20,000.00

COST ALLOCATION:

The cost allocation proposed for the project is shown below:

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan (0% 5-yr)	\$20,000.00	100%
Total Amount:	\$20,000.00	100%

SPECIAL CONDITIONS:

CONTACT INFORMATION:

APPLICANT:

Circleville
1100 South Hwy 89
Circleville, Utah 84723

**PRESIDING OFFICIAL &
CONTACT PERSON:**

Joe Dalton, Mayor
1100 South Hwy 89
Circleville, Utah 84723

CONSULTING ENGINEER:

Eric Franson
Franson Noble Engineering
1276 South 820 East, Suite 100
American Fork, UT 84003

**16002 Circleville
Compliance Report
September 26, 2006**

Administration:

Need the following elements of a Cross Connection Control Program: a) legal authority, b) public awareness, c) trained staff, d) written records and e) on-going enforcement.

Operator Certification:

No issues

Bacteriological Information:

No issues

Chemical Monitoring:

Nitrate monitoring for the Circleville Well is past due. Nitrate monitoring for the Cottonwood Canyon and Wade Canyon springs is currently due.

Lead/Copper:

No issues

Consumer Confidence Reports:

The 2005 report due on July 1, 2006 is past due.

Physical Facilities:

Several vents on the transmission line from the sources need a #14 mesh screen.

The deep rooted vegetation at the Cottonwood and Wade Springs need to be removed.

The adequacy of construction of the Cottonwood and Wade Springs need to be verified that the following is in order: a) shoebox lids, b) air vents with proper screens, c) proper clearance above ground, d) boxes are adequately secured, and e) overflow lines are screened and discharge 12 inches above grade.

The 250,000 tank vent is missing a #14 mesh screen and the overflow line is missing a #4 mesh screen. Also the access man-way needs to a gasket and a lock.

Drinking Water Source Protection:

No issues

Plan Review:

Last Plan review submittal was November 21, 2003 for Replacement of 13,520 feet of 4-inch waterline that was washed out which was reviewed and approved by Roger Foisy and an operating permit was issued on March 8, 2004.

6. 2) b) TEASDALE TOWN

**DRINKING WATER BOARD
PLANNING LOAN
AUTHORIZATION**

APPLICANT'S REQUEST:

The Teasdale Special Service District is located 60 miles south of Richfield in Wayne County. They are requesting \$16,000 from the Drinking Water Board for a master plan.

STAFF COMMENTS:

Based on the local MAGI and projected expenses, the town does not qualify for grant money. Their resulting water bill would be 0.88% of local MAGI. They currently have a water bill of \$14.67 per month based on their revenue and number of connections.

The scope of work will include a determination of how to resolve the appropriate issues on the District's compliance report with the proposed construction project. This loan may be paid back as 5 annual payments or be rolled into project funding, if the Town comes back to the Board for further assistance.

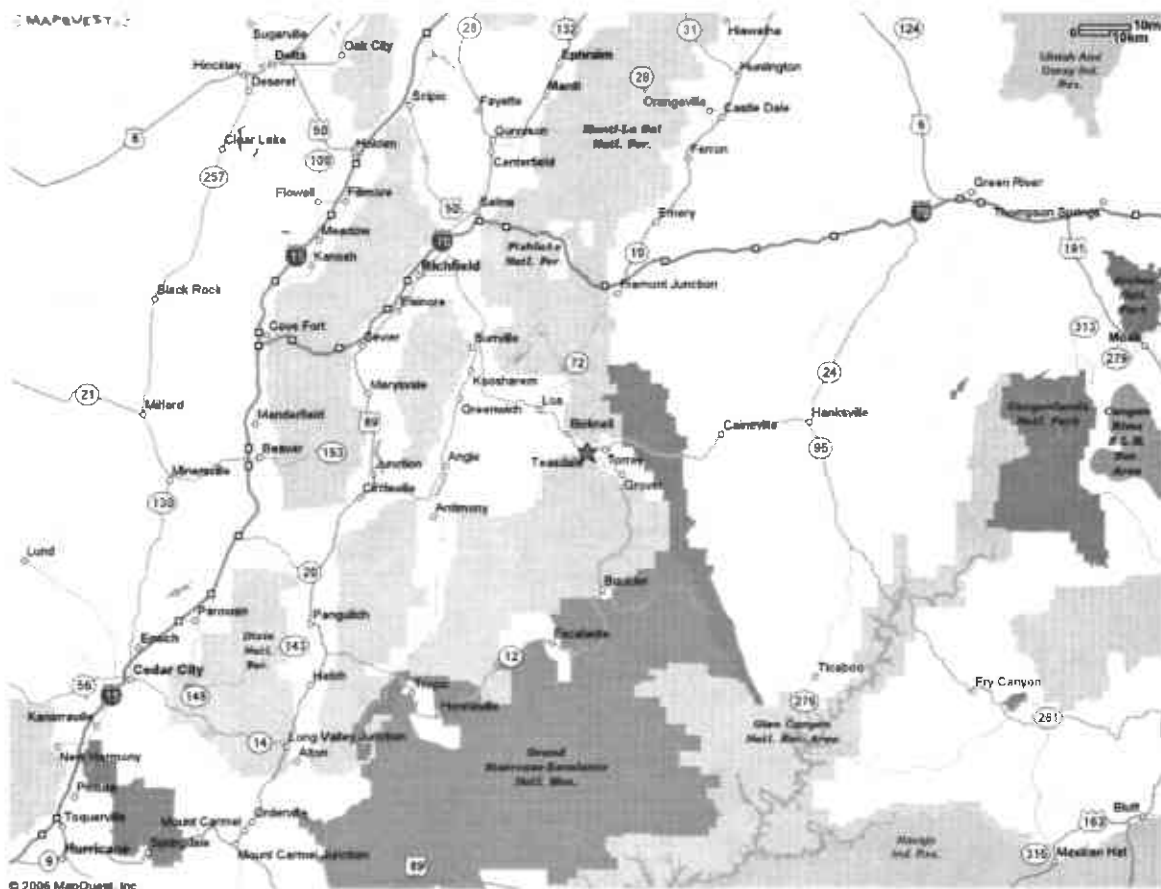
SRF /CONSERVATION COMMITTEE RECOMENDATION:

The Drinking Water Board authorize a planning loan of \$16,000 at 0% for 5 years.

APPLICANT'S LOCATION:

The Teasdale SSD is located in Wayne County approximately 60 miles south of Richfield.

MAP OF APPLICANT'S LOCATION:



SCOPE OF WORK:

1. Assist the District with submitting a funding application to the Drinking Water Board to assist in the cost of the study.
2. Review historical water use data for the system and determine the amount of water usage over a projected 20 year planning period.
3. Assess the water right capacity currently owned by Teasdale SSD and determine if that capacity is adequate for the planning period.
4. Assess the water source capacity currently developed and in use by Teasdale SSD and determine if that capacity is adequate for the planning period.

5. Assess the water storage capacity currently available to Teasdale SSD and determine if that capacity is adequate for the planning period.
6. Assess the culinary water treatment currently used by Teasdale SSD and determine if that capacity is adequate for the planning period.
7. Evaluate the distribution system using a computer generated hydraulic model to determine if adequate pressures can be maintained in the system during peak demand periods. Fire flow analyses will be performed on the distribution system also.
8. An engineer's opinion of probable cost for any recommended improvements will be provided.
9. A proposed financing plan for funding any recommended culinary water improvements shall be prepared in accordance with general funding agency guidelines.
10. A recommended water rate structure will be given to comply with the proposed financing plan.
11. Calculate and recommend a water system impact fee based upon the recommended improvements.
12. Prepare the analysis in report format to be presented to Teasdale SSD and any potential funding agencies.
13. Present the study to Teasdale SSD and assist with submitting funding applications for any recommended culinary water system improvements.

POPULATION GROWTH:

IMPLEMENTATION SCHEDULE:

Apply to Drinking Water Board for Planning Funds:	September 2006
Drinking Water Board Funding Authorization:	November 2006
Commence design for Master Plan:	
Complete design for Master Plan:	

COST ESTIMATE:

Planning Study	<u>\$16,000.00</u>
Total Planning Cost	<u>\$16,000.00</u>

COST ALLOCATION:

The cost allocation proposed for the project is shown below.

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan (0%, 5-yr)	<u>\$16,000.00</u>	<u>100%</u>
Total Amount	<u>\$16,000.00</u>	<u>100</u>

CONTACT INFORMATION:

APPLICANT: Teasdale Special Service District
PO Box 70
Teasdale, Utah 84773

PRESIDING OFFICIAL &
CONTACT PERSON: Dennis Hiskey / Board President
PO Box 70
Teasdale, Utah 84773

CONSULTING ENGINEER: Doug Nielsen
Sunrise Engineering
25 East 500 North
Fillmore, UT 84631

28006 Teasdale SSD
Compliance Report
September 26, 2006

Administration:

The system needs the following elements of a Cross Connection Control Program:
a) written records and b) on-going enforcement

Operator Certification:

No issues

Bacteriological Information:

No issues

Chemical Monitoring:

A nitrate sample is currently due at the Cool Creek Spring.

Lead/Copper:

No issues

Consumer Confidence Reports:

No issues

Physical Facilities:

The spring source needs sufficient soil cover or an impervious liner.

Drinking Water Source Protection:

No issues

Plan Review:

No plans have been recently received from the District.

6. 2) c) CLARKSTON TOWN

**DRINKING WATER BOARD
DRINKING WATER SYSTEM IMPROVEMENTS
AUTHORIZATION**

APPLICANT'S REQUEST:

The Town of Clarkston is located 20 miles north of Logan in Cache County. The Town is in need of a storage tank. The total cost of the project is \$705,000. Their contribution is \$80,000.

Based on the local MAGI and projected expenses, the town does not qualify for grant money. Their resulting water bill would be 0.92% of local MAGI. They currently have a water bill of \$24 per month based on their revenue and number of connections.

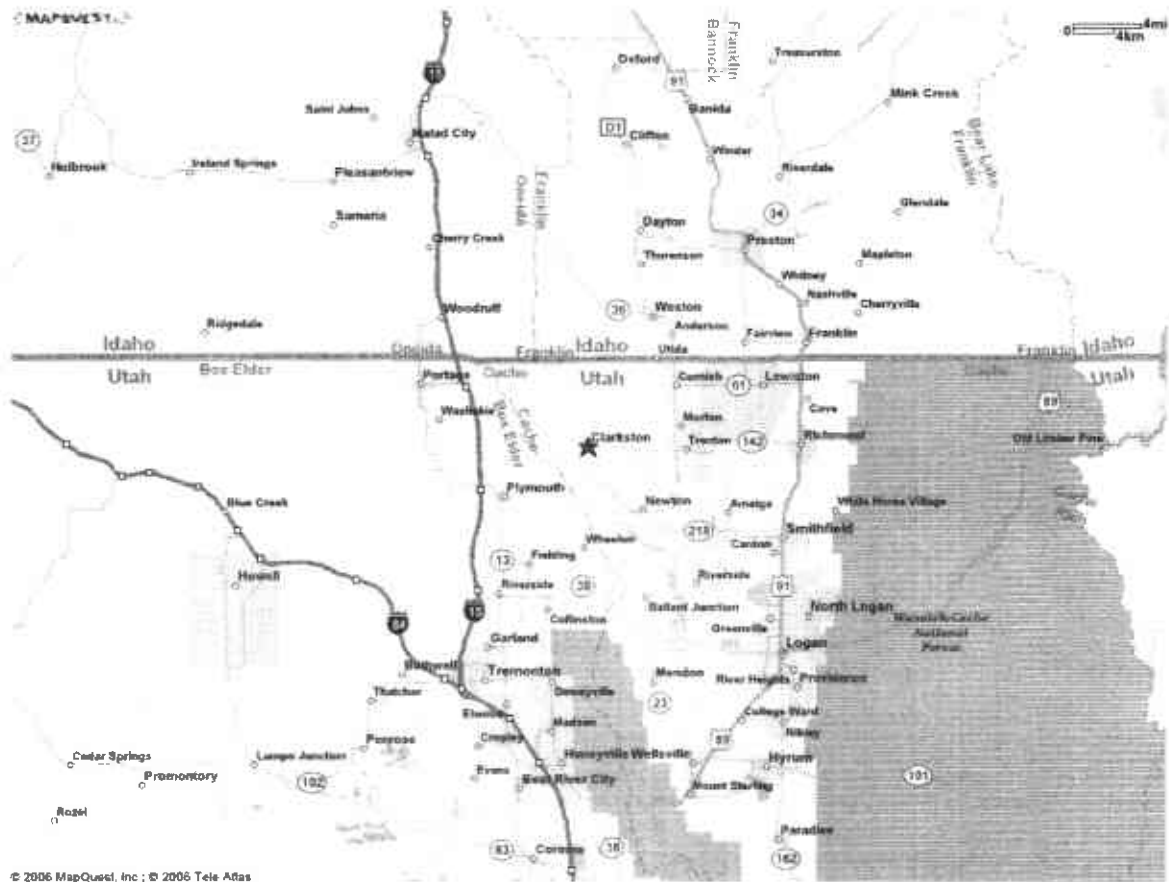
SRF/CONSERVATION COMMITTEE RECOMENDATION:

The Drinking Water Board authorize a loan of \$625,000 at 2.74% for 20 years with the condition they resolve the appropriate issues on their compliance report.

APPLICANT'S LOCATION:

The Town of Clarkston is located 20 miles north of Logan in Cache County.

MAP OF APPLICANT'S LOCATION:



PROJECT DESCRIPTION:

Construct a 750,000 gallon water storage tank.

ALTERNATIVES EVALUATED:

Unknown at this time

POPULATION GROWTH:

The Town of Clarkston is estimated to grow at a 1.83% rate projected through the year 2026 according to the Governor's Office of Planning and Budget (GOPB).

PUBLIC PARTICIPATION AND DEMONSTRATION OF PUBLIC SUPPORT:

IMPLEMENTATION SCHEDULE:

Apply to DWB for Funding:	Aug 14, 2006
DWB Funding Authorization:	Nov 17, 2006
Commence Design:	
Advertise for Bids:	
Bid Opening:	
Loan Closing:	
Begin Construction:	May 2007
Complete Construction:	Sept 2007

COST ESTIMATE:

Engineering:	\$128,000
Construction:	\$515,000
Contingency:	\$52,000
Legal/Bonding:	\$10,000
Total Capital Cost:	<u>\$705,000</u>

COST ALLOCATION:

The cost allocation proposed for the project is shown below.

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan (2.74%, 20-yr)	\$625,000	88.65%
Local Contribution	<u>\$80,000</u>	<u>11.45%</u>
Total Amount:	\$705,000	100%

ESTIMATED ANNUAL COST OF WATER SERVICE:

Operation & Maintenance:	\$31,000
Existing Debt Service:	\$0
DDW Debt Service (2.74%, 20yrs):	\$41,006
DDW 10% Coverage:	\$4,100
DDW 15% Partial Coverage:	\$6,150
5% Replacement Reserve:	n/a
Total Annual Cost:	\$279.03
Monthly Cost / ERU:	\$23.25
Cost as % of MAGI:	0.82%

SPECIAL CONDITIONS:

CONTACT INFORMATION:

APPLICANT:

Clarkston Town
50 South Main
P.O Box 181
Clarkston, UT 84305
435-563-9090

**PRESIDING OFFICIAL &
CONTACT PERSON:**

Boyd Pugmire, Mayor
50 South Main
P.O. Box 181
Clarkston, UT 84305
435-563-9090

CONSULTING ENGINEER:

Scott Archibald
Sunrise Engineering Inc.
12227 South Business Park Drive, Suite 220
Draper, UT 84020
801-523-0100

BOND ATTORNEY:

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Clarkston
COUNTY: Cache

FUNDING SOURCE: State SRF

PROJECT DESCRIPTION: 750,000 gallon storage tank

100% Loan

ESTIMATED POPULATION:	688	NO. OF CONNECTIONS:	250	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$24.00 *			PROJECT TOTAL:	\$705,000
CURRENT % OF AGI:	0.85%	FINANCIAL PTS:	49	LOAN AMOUNT:	\$625,000
ESTIMATED MEDIAN AGI:	\$34,022			GRANT AMOUNT:	\$0
STATE AGI:	\$33,282			TOTAL REQUEST:	\$625,000
SYSTEM % OF STATE AGI:	102%				

	@ ZERO % MKT RATE	@ RBB RATE	AFTER REPAYMENT PENALTY & POINTS
ASSUMED LENGTH OF DEBT, YRS:	20	20	20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.79%	2.74%
REQUIRED DEBT SERVICE:	\$31,250.00	\$49,262.51	\$41,006.48
*PARTIAL COVERAGE (15%):	\$4,687.50	\$7,389.38	\$6,150.97
*ADD. COVERAGE AND RESERVE (10%):	\$3,125.00	\$4,926.25	\$4,100.65
ANNUAL DEBT PER CONNECTION:	\$156.25	\$246.31	\$205.03
O & M + Depreciation:	\$31,000.00	\$31,000.00	\$31,000.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00	\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00	\$0.00
NEEDED SYSTEM INCOME:	\$18,500.00	\$18,500.00	\$18,500.00
ANNUAL O&M PER CONNECTION:	\$74.00	\$74.00	\$74.00
AVG MONTHLY WATER BILL:	\$19.19	\$26.69	\$23.25
% OF ADJUSTED GROSS INCOME:	0.68%	0.94%	0.82%

* Current water bill is based on 2005 Revenue & number of connections

Clarkston

DWB Loan Terms

Local Share (total):	\$	\$0,000
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	625,000
DWB Loan Amount:	\$	20
DWB Loan Term:		2.74%
DWB Loan Interest:	\$	41,006
DWB Loan Payment:	\$	-

DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	705,000
Existing Facility O&M Expense:	\$	31,000
Proposed Facility O&M Expense:	\$	31,000
O&M Inflation Factor:		3.8%
Existing Debt Service:	\$	-

DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		250
Projected Growth Rate:		1.83%
Input Fee/Connection Fee:	\$	2,500
Current Monthly User Charge:	\$	24.00
Needed Average Monthly User Charge:	\$	24.00

DW Revenue Projections

Yr	(%)	(ERC)	Total Users	Annual Growth Rate	Revenue	Impact Fee Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Beginning Cash	Ending Cash Flow	Net Revenue	Debt Service Ratio
0	1.83%	5	255		73,440	12,500	85,940	41,006	4,101	603,110	23,881	37,125	-	31,000	76,107	31,000	54,940	54,940	-
1	1.83%	5	260		74,880	12,500	87,380	41,006	4,101	603,110	23,881	37,125	-	31,000	76,107	31,000	54,940	54,940	1.37
2	1.83%	5	265		76,320	12,500	88,820	41,006	4,101	596,583	24,536	36,471	-	31,930	77,037	31,930	66,213	66,213	1.39
3	1.83%	5	270		77,760	12,500	90,260	41,006	4,101	589,575	25,208	35,798	-	32,888	77,995	32,888	77,995	77,995	1.40
4	1.83%	5	275		79,200	12,500	91,700	41,006	4,101	582,476	25,899	35,108	-	33,875	78,982	33,875	90,261	90,261	1.41
5	1.83%	5	280		80,640	12,500	93,140	41,006	4,101	575,276	26,608	34,398	-	34,891	79,998	34,891	102,979	102,979	1.42
6	1.83%	5	285		82,080	12,500	94,580	41,006	4,101	567,976	27,338	33,669	-	35,937	81,045	35,937	116,121	116,121	1.43
7	1.83%	5	290		83,520	12,500	96,020	41,006	4,101	560,476	28,087	32,920	-	37,016	82,123	37,016	129,657	129,657	1.44
8	1.83%	5	295		84,960	12,500	97,460	41,006	4,101	552,776	28,856	32,150	-	38,126	83,233	38,126	143,554	143,554	1.45
9	1.83%	5	300		86,400	12,500	98,900	41,006	4,101	544,876	29,647	31,360	-	39,270	84,377	39,270	157,781	157,781	1.45
10	1.83%	5	305		87,840	12,500	100,340	41,006	4,101	536,776	30,459	30,547	-	40,448	85,555	40,448	172,304	172,304	1.45
11	1.83%	6	311		89,280	15,000	104,280	41,006	4,101	528,476	31,294	29,713	-	41,661	86,768	41,661	187,088	187,088	1.46
12	1.83%	6	317		90,720	15,000	106,720	41,006	4,101	520,076	32,151	28,855	-	42,911	88,003	42,911	202,089	202,089	1.53
13	1.83%	6	323		92,160	15,000	108,160	41,006	4,101	511,476	33,032	27,974	-	44,199	89,262	44,199	217,407	217,407	1.56
14	1.83%	6	329		93,600	15,000	109,600	41,006	4,101	502,776	33,937	27,069	-	45,525	90,547	45,525	232,931	232,931	1.57
15	1.83%	6	335		95,040	15,000	111,040	41,006	4,101	493,876	34,867	26,139	-	46,890	91,867	46,890	248,666	248,666	1.58
16	1.83%	6	341		96,480	15,000	112,480	41,006	4,101	484,776	35,822	25,184	-	48,297	93,219	48,297	264,599	264,599	1.58
17	1.83%	6	347		97,920	15,000	113,920	41,006	4,101	475,476	36,804	24,203	-	49,746	94,603	49,746	280,722	280,722	1.59
18	1.83%	6	353		99,360	15,000	115,360	41,006	4,101	465,976	37,812	23,194	-	51,238	96,046	51,238	297,034	297,034	1.60
19	1.83%	6	359		100,800	15,000	116,800	41,006	4,101	456,276	38,848	22,158	-	52,775	97,529	52,775	313,446	313,446	1.60
20	1.83%	7	366		102,240	17,500	122,900	41,006	4,101	446,276	39,913	21,094	-	54,359	99,048	54,359	330,000	330,000	1.67

Total Paid in Debt Service = 625,000 195,130

Clarkston

PROPOSED BOND REPAYMENT SCHEDULE

Equivalent to 100% Loan

PRINCIPAL \$625,000.00
 INTEREST 2.74%
 TERM 20
 NOMIN. PAYMENT \$41,006.48

ANTICIPATED CLOSING DATE
 P&I PAYMT DUE
 REVENUE BOND
 PRINC PREPAID: \$0.00

15-Jan-07
 01-Jan-09

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2008	\$625,000.00		\$16,459.03	\$0.00	\$16,459.03	\$625,000.00	0
2009	\$625,000.00		\$41,125.00	\$24,000.00	\$17,125.00	\$601,000.00	1
2010	\$601,000.00		\$41,467.40	\$25,000.00	\$16,467.40	\$576,000.00	2
2011	\$576,000.00		\$40,782.40	\$25,000.00	\$15,782.40	\$551,000.00	3
2012	\$551,000.00		\$41,097.40	\$26,000.00	\$15,097.40	\$525,000.00	4
2013	\$525,000.00		\$41,385.00	\$27,000.00	\$14,385.00	\$498,000.00	5
2014	\$498,000.00		\$40,645.20	\$27,000.00	\$13,645.20	\$471,000.00	6
2015	\$471,000.00		\$40,905.40	\$28,000.00	\$12,905.40	\$443,000.00	7
2016	\$443,000.00		\$41,138.20	\$29,000.00	\$12,138.20	\$414,000.00	8
2017	\$414,000.00		\$41,343.60	\$30,000.00	\$11,343.60	\$384,000.00	9
2018	\$384,000.00		\$40,521.60	\$30,000.00	\$10,521.60	\$354,000.00	10
2019	\$354,000.00		\$40,699.60	\$31,000.00	\$9,699.60	\$323,000.00	11
2020	\$323,000.00		\$40,850.20	\$32,000.00	\$8,850.20	\$291,000.00	12
2021	\$291,000.00		\$40,973.40	\$33,000.00	\$7,973.40	\$258,000.00	13
2022	\$258,000.00		\$41,069.20	\$34,000.00	\$7,069.20	\$224,000.00	14
2023	\$224,000.00		\$41,137.60	\$35,000.00	\$6,137.60	\$189,000.00	15
2024	\$189,000.00		\$41,178.60	\$36,000.00	\$5,178.60	\$153,000.00	16
2025	\$153,000.00		\$41,192.20	\$37,000.00	\$4,192.20	\$116,000.00	17
2026	\$116,000.00		\$41,178.40	\$38,000.00	\$3,178.40	\$78,000.00	18
2027	\$78,000.00		\$40,137.20	\$38,000.00	\$2,137.20	\$40,000.00	19
2028	\$40,000.00		\$41,096.00	\$40,000.00	\$1,096.00	\$0.00	20
			\$836,382.63	\$625,000.00	\$211,382.63		

*Interest Only Payment

**03004 Clarkston
Compliance Report
September 26, 2006**

Administration:

The system needs the following elements of a Cross Connection Control Program:
a) legal authority, b) public education, c) a trained operator, d) written records and
e) on-going enforcement.

Operator Certification:

No issues

Bacteriological Information:

No issues

Chemical Monitoring:

Nitrate sampling is currently due on: the North Fork, Big Birch, Little Birch,
Myler and City Creek springs.

Lead/Copper:

No issues

Consumer Confidence Reports:

No issues

Physical Facilities:

The collection boxes on all the springs need to have an overflow line that is properly screened with a #4 mesh screen and have 12 inches of freefall. All springs also need down-turned air vents screened with a #14 mesh screen.

Deep rooted vegetation needs to be removed from the collection area at the Big Birch, City Creek and Myler Springs.

The access lid needs a gasket at the: Big Birch, Little Birch, Myler, City Creek and North Fork springs.

The chlorine vent line must have a #14 mesh screen.

The overflow line for the Reservoirs must be screened with a #4 mesh screen.

The crack on the top of the 150,000 Gallon tank must be repaired.

Drinking Water Source Protection:

No issues

Plan Review:

Last plan review was for pumphouse's shown as submitted on January 2, 1998 and August 21, 1998 with no follow-up submittals reviewed by Michael Pfeiffer. No operating permits have been requested or issued for these pumphouse's.

6. 2) d) GLEN CANYON SPECIAL SERVICE
DISTRICT

**DRINKING WATER BOARD
DRINKING WATER SYSTEM IMPROVEMENTS
AUTHORIZATION**

APPLICANT'S REQUEST:

The Glen Canyon SSD is located in the Town of Big Water near Lake Powell. The Town is in need of distribution work. The total cost of the project is \$850,000. The system contribution is \$39,000.

Based on the local MAGI and projected expenses, the town does qualify for grant money. Their resulting water bill would be 3.38% of local MAGI (\$59/mo). They currently have a water bill of \$54 per month based on their current revenue and number of connections.

SRF/CONSERVATION COMMITTEE RECOMENDATION:

The Drinking Water Board authorize a loan of \$484,000 at 0% for 20 years and a grant of \$327,000 for updating their distribution system, with the condition they resolve the appropriate issues on their compliance report.

APPLICANT'S LOCATION:

The Glen Canyon SSD is located in the Town of Big Water near Lake Powell.

MAP OF APPLICANT'S LOCATION:



PROJECT DESCRIPTION:

New 8" pipeline, upgrades to existing distribution system, backup power supply, replace existing pumps, SCADA system, create another pressure zone with two new pressure reducing valves.

ALTERNATIVES EVALUATED:

POPULATION GROWTH:

Glen Canyon Special Service District is estimated to grow at a 1.24% rate projected through the year 2030 based on the Governor's Office of Planning Budget (GOPB).

	<u>Year</u>	<u>Population</u>	<u>ERC's</u>
Current:	2006		
Design	2026		

PUBLIC PARTICIPATION AND DEMONSTRATION OF PUBLIC SUPPORT:

IMPLEMENTATION SCHEDULE:

Apply to DWB for Funding:	Sep 20, 2006
DWB Funding Authorization:	Nov 17, 2006
Commence Design:	
Advertise for Bids:	
Bid Opening:	
Loan Closing:	
Begin Construction:	December 2006
Complete Construction:	March 2007

COST ESTIMATE:

Engineering:	\$69,000
Construction:	\$700,500
Contingency:	\$66,000
Legal/Admin/Land:	\$14,500
Total Capital Cost:	\$850,000

COST ALLOCATION:

The cost allocation proposed for the project is shown below.

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan (1.74%, 20-yr)	\$406,000	47.76%
DWB Grant	\$405,000	47.64%
Local Contribution	\$39,000	4.59%
Total Amount:	\$850,000	100%

ESTIMATED ANNUAL COST OF WATER SERVICE:

Operation & Maintenance:	\$102,319
Existing Debt Service:	\$28,088
DDW Debt Service (1.74%, 20yrs):	\$24,211
DDW 10% Coverage:	\$2,421
DDW 15% Partial Coverage:	n/a
5% Replacement Reserve:	\$10,282
Total Annual Cost:	\$711.54
Monthly Cost:	\$59.30
Cost as % of MAGI:	3.38%

SPECIAL CONDITIONS:

CONTACT INFORMATION:

APPLICANT: Glen Canyon Special Service District
15 Aaron Burr
Drawer 410037
Big Water, UT 84741-2037
435-675-9112

PRESIDING OFFICIAL &
CONTACT PERSON: Erick Lassen, Superintendent
15 Aaron Burr, Drawer 410037
Big Water, UT 84741
435-675-9112

CONSULTING ENGINEER: Lynn Wall
Wall Engineering
55 South Main #2
P.O. Box 39
Fillmore, UT 84631
435-864-7503

FINANCIAL CONSULTANT: Richard Chamberlain
Chamberlain Associates
225 North 100 East
P.O. Box 100
Richfield, UT 84701
435-896-4461

BOND ATTORNEY:

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Glen Canyon SSD

COUNTY: Kane

PROJECT DESCRIPTION: distribution

FUNDING SOURCE: State SRF

50% Loan & 50% Grant

ESTIMATED POPULATION:	441	NO. OF CONNECTIONS:	236	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$54.07 *			PROJECT TOTAL:	\$850,000
CURRENT % OF AGI:	3.08%			LOAN AMOUNT:	\$406,000
ESTIMATED MEDIAN AGI:	\$21,067	FINANCIAL PTS:	70	GRANT AMOUNT:	\$405,000
STATE AGI:	\$33,282			TOTAL REQUEST:	\$811,000
SYSTEM % OF STATE AGI:	63%				

	@ ZERO % MKT RATE	@ RBBI RATE	EQUIVALENT ANNUAL PAYMENT	AFTER REPAYMENT PENALTY & POINTS
ASSUMED LENGTH OF DEBT, YRS:	20	20	20	20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.79%	0.00%	1.74%
REQUIRED DEBT SERVICE:	\$20,300.00	\$32,000.93	\$24,211.01	\$24,211.01
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00	\$0.00	\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$2,030.00	\$3,200.09	\$2,421.10	\$2,421.10
ANNUAL DEBT PER CONNECTION:	\$94.62	\$149.16	\$112.85	\$112.85
O & M + Depreciation:	\$102,319.00	\$102,319.00	\$102,319.00	\$102,319.00
OTHER DEBT + COVERAGE:	\$35,110.00	\$35,110.00	\$35,110.00	\$35,110.00
REPLACEMENT RESERVE ACCOUNT:	\$10,087.25	\$10,672.30	\$10,282.80	\$10,282.80
NEEDED SYSTEM INCOME:	\$141,096.25	\$141,681.30	\$141,291.80	\$141,291.80
ANNUAL O&M PER CONNECTION:	\$597.87	\$600.34	\$598.69	\$598.69
AVG MONTHLY WATER BILL:	\$57.71	\$62.46	\$59.30	\$59.30
% OF ADJUSTED GROSS INCOME:	3.29%	3.56%	3.38%	3.38%

* Current water bill is based on 2005 Revenue & number of connections

** \$484,000 loan & \$327,000 grant (equivalent to \$406,000 loan at 1.74% & \$405,000 grant)

Glen Canyon SSD

DWB Loan Terms

Local Share (total):	\$ 19,000
Other Agency Funding:	\$ -
DWB Grant Amount:	\$ 405,000
DWB Loan Amount:	\$ 406,000
DWB Loan Term:	20
DWB Loan Interest:	1.74%
DWB Loan Payment:	\$ 24,211

DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$ 850,000
Existing Facility O&M Expense:	\$ 102,319
Proposed Facility O&M Expense:	\$ 102,319
O&M Inflation Factor:	1.0%
Existing Debt Service:	\$ 28,088

DW Revenue Sources (Projected)

Beginning Cash:	\$ -
Existing Customers (ERC):	236
Projected Growth Rate:	1.24%
Impact Fee/Completion Fee:	\$ 2,140
Current Monthly User Charge:	\$ 54.07
Needed Average Monthly User Charge:	\$ 59.30

DW Revenue Projections

Yr	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Growth Rate (%)	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%	1.24%
Annual Growth (ERC)	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Total Users	242	245	248	251	254	257	260	263	266	269	272	275	278	281	284	288	292	296	300	304	308
User Charge Revenue	155,088	157,193	159,328	161,497	163,699	165,934	168,203	170,506	172,844	175,217	177,625	180,068	182,547	185,062	187,613	190,201	192,826	195,488	198,188	200,925	203,700
Impact Fee Revenue	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420
Total Revenue	161,508	163,613	165,748	167,917	170,119	172,354	174,624	176,926	179,264	181,637	184,045	186,488	188,967	191,482	194,031	196,613	199,230	201,882	204,570	207,294	210,054
DWB Loan Repayment	-	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211	24,211
DWB Loan Receives	-	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421	3,421
Remaining Principal	406,000	388,853	371,408	353,660	335,603	317,231	298,540	279,523	260,176	240,492	220,466	200,091	179,361	158,271	136,814	114,984	92,774	70,177	47,187	23,797	0
Principal Payment	-	17,147	17,445	17,748	18,057	18,372	18,691	19,016	19,347	19,684	20,026	20,375	20,729	21,090	21,457	21,830	22,210	22,597	22,990	23,390	23,793
Interest Payment	-	7,064	6,766	6,463	6,154	5,839	5,520	5,195	4,864	4,527	4,185	3,836	3,482	3,121	2,754	2,381	2,001	1,614	1,221	821	414
Existing DW Debt Service	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088	28,088
O&M Expenses	102,319	102,319	103,342	104,376	105,419	106,474	107,538	108,614	109,700	110,797	111,905	113,024	114,154	115,296	116,449	117,613	118,789	119,977	121,177	122,389	123,612
Total Expenses	130,407	137,039	143,732	150,496	157,335	164,250	171,242	178,314	185,466	192,697	199,999	207,372	214,817	222,334	229,924	237,588	245,326	253,139	261,027	269,000	277,067
Beginning Cash	-	31,098	52,672	75,357	99,144	124,021	149,979	177,007	205,094	234,230	264,403	295,603	330,240	365,881	402,515	440,131	478,716	521,112	565,167	610,867	658,202
Ending Cash Flow	31,098	52,672	75,357	99,144	124,021	149,979	177,007	205,094	234,230	264,403	295,603	330,240	365,881	402,515	440,131	478,716	521,112	565,167	610,867	658,202	707,159
Net Revenue	-	21,574	22,685	23,787	24,878	25,958	27,028	28,087	29,136	30,173	31,200	32,217	33,224	34,221	35,208	36,185	37,152	38,109	39,056	40,000	40,957
Debt Service Ratio	-	1.46	1.48	1.50	1.52	1.54	1.56	1.58	1.60	1.62	1.64	1.66	1.68	1.70	1.72	1.74	1.81	1.84	1.87	1.91	1.94

Total Paid in Debt Service = 406,000 78,220

Glen Canyon SSD

PROPOSED BOND REPAYMENT SCHEDULE

Equivalent to 50% Loan & 50% Grant

PRINCIPAL \$484,000.00
INTEREST 0.00%
TERM 20
NOMIN. PAYMENT \$24,211.01

ANTICIPATED CLOSING DATE
P&I PAYMT DUE
REVENUE BOND
PRINC PREPAID:

15-Jan-07
01-Jan-09
\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2008	\$484,000.00		\$20.15	\$0.00	\$20.15	\$484,000.00	0
2009	\$484,000.00		\$24,020.96	\$24,000.00	\$20.96	\$460,000.00	1
2010	\$460,000.00		\$24,019.92	\$24,000.00	\$19.92	\$436,000.00	2
2011	\$436,000.00		\$24,018.88	\$24,000.00	\$18.88	\$412,000.00	3
2012	\$412,000.00		\$24,017.84	\$24,000.00	\$17.84	\$388,000.00	4
2013	\$388,000.00		\$24,016.80	\$24,000.00	\$16.80	\$364,000.00	5
2014	\$364,000.00		\$24,015.76	\$24,000.00	\$15.76	\$340,000.00	6
2015	\$340,000.00		\$24,014.72	\$24,000.00	\$14.72	\$316,000.00	7
2016	\$316,000.00		\$24,013.69	\$24,000.00	\$13.69	\$292,000.00	8
2017	\$292,000.00		\$24,012.65	\$24,000.00	\$12.65	\$268,000.00	9
2018	\$268,000.00		\$24,011.61	\$24,000.00	\$11.61	\$244,000.00	10
2019	\$244,000.00		\$24,010.57	\$24,000.00	\$10.57	\$220,000.00	11
2020	\$220,000.00		\$24,009.53	\$24,000.00	\$9.53	\$196,000.00	12
2021	\$196,000.00		\$24,008.49	\$24,000.00	\$8.49	\$172,000.00	13
2022	\$172,000.00		\$25,007.45	\$25,000.00	\$7.45	\$147,000.00	14
2023	\$147,000.00		\$24,006.37	\$24,000.00	\$6.37	\$123,000.00	15
2024	\$123,000.00		\$25,005.33	\$25,000.00	\$5.33	\$98,000.00	16
2025	\$98,000.00		\$24,004.24	\$24,000.00	\$4.24	\$74,000.00	17
2026	\$74,000.00		\$25,003.20	\$25,000.00	\$3.20	\$49,000.00	18
2027	\$49,000.00		\$24,002.12	\$24,000.00	\$2.12	\$25,000.00	19
2028	\$25,000.00		\$25,001.08	\$25,000.00	\$1.08	\$0.00	20
			\$484,241.36	\$484,000.00	\$241.36		

*Interest Only Payment

13003 Glen Canyon Special Service District #1
Compliance Report
September 26, 2005

Administration:

Needs the following elements of a Cross Connection Control Program: a) local authority, b) a trained operator, c) written records and d) on-going enforcement.

The system needs a lead/copper monitoring plan.

Operator Certification:

No issues

Bacteriological Information:

No issues

Chemical Monitoring:

Nitrate sampling is currently due at both the North and South Wells.

Lead/Copper:

Lead/Copper samples are past due

Consumer Confidence Reports:

The 2005 Consumer Confidence Report due July 1, 2006 is past due.

Physical Facilities:

The South Well lacks a pressure gauge.

Leak detection equipment and a repair kit are needed for the chlorinator.

The chlorine vent feed line needs to be properly screened.

Drinking Water Source Protection:

No issues.

Plan Review:

Last plan review was submitted March 19, 2003 for an eight inch waterline and apparently assigned to Wayne Thomas, but there is no indicated response date nor issuance of an operating permit.

6. 2) e) ORDERVILLE TOWN

**DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN
AUTHORIZATION**

APPLICANT'S REQUEST AND STAFF COMMENTS

The Town of Orderville is in need of a water line and storage tank. The total cost of the project is \$3,918,000. The system contribution is \$75,500. They also have a CDBG grant of \$140,500 and are anticipating a grant & loan from Rural Development of \$632,000 and \$901,000 at 4.375% for 40 years, respectively.

Based on the local MAGI and projected expenses, the town does qualify for grant money. Their resulting water bill would be 1.85% of local MAGI (\$39.93/mo per ERC). They currently have a water bill of \$17.49 per month based on their revenue and number of connections. Their local MAGI is 78% of the State's average.

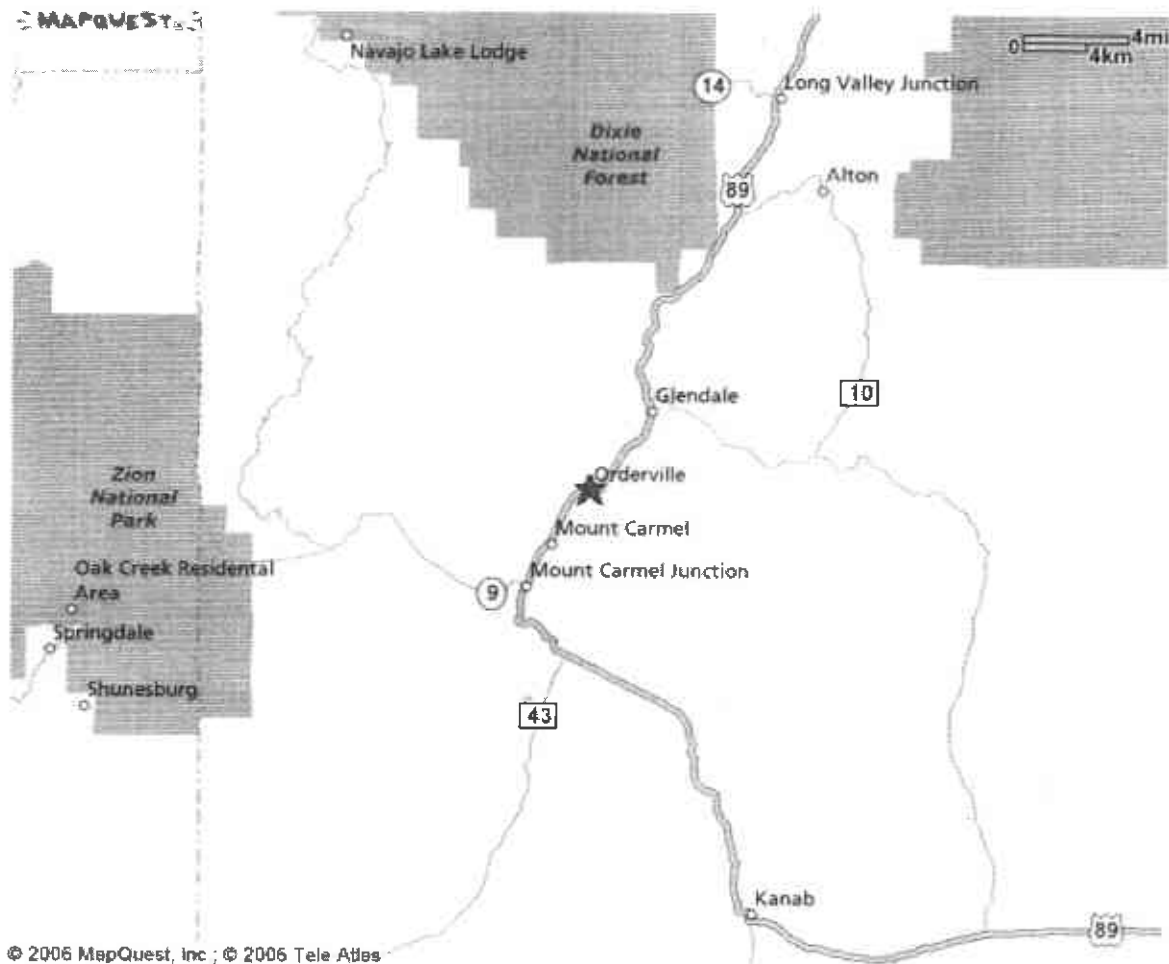
SRF COMMITTEE RECOMENDATION:

Board authorize a loan of \$1,569,000 at 2.22% for 30 years and a grant of \$600,000 for a new water line and storage tank, with the condition they resolve the appropriate issues on their compliance report.

APPLICANT'S LOCATION:

The Town of Orderville is located approximately 58 miles east of Cedar City in Kane County.

MAP OF APPLICANT'S LOCATION:



PROJECT DESCRIPTION:

Drill and construct a new well and chlorination building. Construct a 400,000 gallon storage tank and a 200,000 gallon storage tank. Install 25,000 feet of 8-inch and 4,400 feet of 10-inch water line.

POPULATION GROWTH:

(taken from GOPB website)

<u>Year</u>	<u>Population</u>
2000	596
2005	598
2010	650
2020	821
2030	961

Average growth rate is 1.23%

COST ESTIMATE:

Construction:	\$2,822,000
Engineering:	\$576,000
Contingency:	\$423,000
Legal/Admin/Land:	\$97,000
Total Capital Cost:	\$3,918,000

COST ALLOCATION:

The cost allocation proposed for the project is shown below.

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan (2.22%, 30 yrs)	\$1,569,000	40.05
DWB Grant	\$600,000	15.31
Local Contribution	\$75,500	1.93
RD Loan (4.375%, 40 yrs)	\$901,000	23.00
RD Grant	\$632,000	16.12
CDBG Grant	\$140,500	3.59
Total Amount:	\$3,918,000	100.00

ESTIMATED ANNUAL COST OF WATER SERVICE:

Operation & Maintenance:	\$45,419
Existing Debt Service:	\$84,271
DDW Debt Service (1.74%, 20yrs):	\$72,192
DDW 10% Coverage:	\$7,219
DDW 15% Partial Coverage:	\$10,828
5% Replacement Reserve:	n/a
Total Annual Cost:	\$669.07
Monthly Cost:	\$66.76
Cost as % of MAGI:	3.09%

CONTACT INFORMATION:

APPLICANT:

Orderville Town
425 East State Street
P.O. Box 165
Orderville, UT 84758
435-648-2534

**PRESIDING OFFICIAL &
CONTACT PERSON:**

Brad Adair, Mayor
425 East State Street
Orderville, UT 84758
435-648-2534

CONSULTING ENGINEER:

Marv Wilson
Sunrise Engineering
11 North 300 West
Washington, UT 84780
435-652-8450

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Orderville
COUNTY: Kane

FUNDING SOURCE: State SRF

PROJECT DESCRIPTION: water line and storage tank

72% Loan & 28% Grant

ESTIMATED POPULATION:	596	NO. OF CONNECTIONS:	403	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$17.49 *			PROJECT TOTAL:	\$3,918,000
CURRENT % OF AGI:	0.81%			LOAN AMOUNT:	\$1,569,000
ESTIMATED MEDIAN AGI:	\$25,918	FINANCIAL PTS:	64	GRANT AMOUNT:	\$600,000
STATE AGI:	\$33,282			TOTAL REQUEST:	\$2,169,000
SYSTEM % OF STATE AGI:	78%				

	@ ZERO % RATE	@ RBBI RATE	EQUIVALENT ANNUAL PAYMENT	AFTER REPAYMENT PENALTY & POINTS
ASSUMED LENGTH OF DEBT, YRS:	30	30	30	30
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.79%	0.00%	2.22%
REQUIRED DEBT SERVICE:	\$52,300.00	\$99,635.53	\$72,192.64	\$72,192.64
*PARTIAL COVERAGE (15%):	\$7,845.00	\$14,945.33	\$10,828.90	\$10,828.90
*ADD. COVERAGE AND RESERVE (10%):	\$5,230.00	\$9,963.55	\$7,219.26	\$7,219.26
ANNUAL DEBT PER CONNECTION:	\$162.22	\$309.04	\$223.92	\$223.92
O & M + Depreciation:	\$45,419.00	\$45,419.00	\$45,419.00	\$45,419.00
OTHER DEBT + COVERAGE:	\$59,953.41	\$59,953.41	\$59,953.41	\$59,953.41
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00	\$0.00	\$0.00
NEEDED SYSTEM INCOME:	\$95,872.41	\$95,872.41	\$95,872.41	\$95,872.41
ANNUAL O&M PER CONNECTION:	\$237.90	\$237.90	\$237.90	\$237.90
AVG MONTHLY WATER BILL:	\$34.79	\$47.03	\$39.93	\$39.93
% OF ADJUSTED GROSS INCOME:	1.61%	2.18%	1.85%	1.85%

* Current water bill is based on 2005 Revenue & number of connections + \$11 irrigation water bill

** \$2,165,000 loan & \$4,000 grant (equivalent to \$1,569,000 loan @ 2.22% & \$600,000 grant)

OWB Loan Terms

DW Expenses (Estimated)DW Revenue Sources (Projected)

Regulating Code:	403
Excising Customers (ERC):	1.23%
Projected Growth Rate:	\$ 4,750
Impact Fee/Connection Fee:	\$ 17.49
Current Monthly User Charge:	\$ 39.93
Modelled Average Monthly User Charge:	

DW Revenue Projections														
Rate		Growth		Annual		Total		DW Revenue Projections						
Yr	(%)	(HMT)	(HMT)	Users	Revenue	Impact Fee	Total Revenue	DWB Loan Repayment	DWB Loan Interest	Remaining Principal	Principal Payment	Interest Payment	Outstanding DW Debt Service	Outstanding Expenses
0	1.2%	\$	408	\$	199,302	23,330	199,302	1,569,000					54,503	43,419
1	1.2%	\$	413	\$	213,750	23,750	213,668	72,193	7,219	1,531,639	37,361	34,832	54,503	43,419
2	1.2%	\$	418	\$	200,314	23,750	224,060	72,193	7,219	1,493,449	38,190	34,002	54,503	43,419
3	1.2%	\$	423	\$	203,710	23,750	226,460	72,193	7,219	1,454,411	39,038	33,155	54,503	43,419
4	1.2%	\$	428	\$	203,106	23,750	228,856	72,193	7,219	1,414,506	39,905	32,288	54,503	43,419
5	1.2%	\$	433	\$	207,502	23,750	231,252	72,193	7,219	1,373,716	40,791	31,402	54,503	43,419
6	1.2%	\$	438	\$	209,898	23,750	233,648	72,193	7,219	1,332,019	41,696	30,496	54,503	43,419
7	1.2%	\$	443	\$	212,294	23,750	236,044	72,193	7,219	1,289,398	42,622	29,571	54,503	43,419
8	1.2%	\$	448	\$	214,690	23,750	238,440	72,193	7,219	1,245,830	43,568	28,625	54,503	43,419
9	1.2%	\$	454	\$	217,566	28,500	246,066	72,193	7,219	1,201,294	44,535	27,657	54,503	43,419
10	1.2%	\$	460	\$	220,441	28,500	248,941	72,193	7,219	1,155,770	45,524	26,669	54,503	43,419
11	1.2%	\$	466	\$	223,316	28,500	251,816	72,193	7,219	1,109,236	46,535	25,658	54,503	43,419
12	1.2%	\$	472	\$	226,192	28,500	254,692	72,193	7,219	1,061,668	47,508	24,625	54,503	43,419
13	1.2%	\$	478	\$	229,067	28,500	257,567	72,193	7,219	1,013,045	48,424	23,569	54,503	43,419
14	1.2%	\$	484	\$	231,942	28,500	260,442	72,193	7,219	963,342	49,703	22,490	54,503	43,419
15	1.2%	\$	490	\$	234,817	28,500	263,317	72,193	7,219	912,535	50,806	21,386	54,503	43,419
16	1.2%	\$	496	\$	237,693	28,500	266,193	72,193	7,219	860,601	51,934	20,258	54,503	43,419
17	1.2%	\$	502	\$	240,568	28,500	269,068	72,193	7,219	807,514	53,087	19,105	54,503	43,419
18	1.2%	\$	508	\$	243,443	28,500	271,943	72,193	7,219	753,248	54,266	17,927	54,503	43,419
19	1.2%	\$	514	\$	246,319	28,500	274,819	72,193	7,219	697,777	55,471	16,722	54,503	43,419
20	1.2%	\$	520	\$	249,194	28,500	277,694	72,193	7,219	641,075	56,702	15,491	54,503	43,419
Total Profit in Debt Service = 937,025														
Total Profit in Debt Service = 937,025														

**13008 Orderville
Compliance Report
September 26, 2006**

Administration:

The system lacks written records associated with its cross connection control program.

Operator Certification:

No issues

Bacteriological Information:

No issues

Chemical Monitoring:

Nitrate samples are due in 2006 from the North Spring and the Red Hollow Well.

Lead/Copper:

No issues

Consumer Confidence Report:

No issues

Physical Facilities:

If either the Mt. Carmel Well or the Stand by Well are placed into service the well houses need floor drains to day light.

The Red Hollow Well needs a smooth nosed sample tap. If the Mt Carmel Well is placed into service it needs a smooth nosed sample tap as well.

The Red Hollow Well's discharge piping needs a pressure gauge. If the Mt. Carmel Well or the Stand by Well are placed into service, they need a pressure gauge as well.

The North Spring needs a permanent flow measuring device.

The North Spring Tank needs a screen on its overflow drain line and a gasket on its access lid.

The Red Hollow Tank needs a gasket on its access lid and the cracks in the tank need repair.

Drinking Water Source Protection:

No issues.

Plan Review:

Engineering has issued a conditional approval for 10" & 8" Water Main Extension for Quarter Circle H ranch LLC (file #6702) in which one condition is that Quarter Circle H Ranch shall successfully resolve the easement issues necessary to cross properties jointly owned by Quarter Circle H Ranch and the Alvin LaMond Heaton Living Trust. No construction shall begin until legal access for construction, operation and maintenance of lines crossing this property is provided to Orderville Town and is acceptable to Orderville. To our knowledge we have not received any evidence of an acceptable easement. Randy Taylor's comments might be needed.

6. 4) FEDERAL SRF APPLICATIONS –
Karin Tatum

a) CENTRAL IRON COUNTY WATER
CONSERVANCY DISTRICT PHASE II

**DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN
AUTHORIZATION**

APPLICANT'S REQUEST:

Central Iron County Water Conservancy District (CICWCD) is requesting financial assistance in the amount of \$3,500,000 from the Drinking Water Board for Phase II of their 3-Phased project for regionalization. Phase II consists of developing a new well and refurbishing an existing well, a transmission pipeline, a water distribution system, and a 2 million gallon water storage tank.

STAFF COMMENTS:

Phase II will provide connections to a minimum of 1,194 planned ERCs over the next few years. As the population increases in Iron County, more connections will be added to the system. CICWCD will receive revenues from a portion of the County property tax levy, connection fees, impact fees, and revenue from water sales to consumers. These revenue streams will be adequate to cover the debt costs, maintenance costs, and operation costs resulting from this project.

SRF/CONSERVATION COMMITTEE RECOMMENDS:

The Board authorize a \$3,500,000 construction loan to CICWCD at 2.17% interest for 20 years, with the option to roll the balance of their \$75,000 planning advance at 2.46%, into the construction loan at the new interest rate.

APPLICANT'S LOCATION:

CICWCD is located in Cedar City in Iron County.

MAP OF APPLICANT'S LOCATION:



POSITION ON PROJECT PRIORITY LIST:

CICWCD has 51 points on the project priority list.

CAPACITY DEVELOPMENT REVIEW COMMENTS:

The Capacity Assessment Review for CICWCD was conducted by Steven Onysko, P.E. with the Division, and reported in a letter dated November 16, 2005. The report concluded that the project meets the criteria of eligibility for SRF funds. It states that the technical review represents a satisfactory allocation of resources to the objectives at hand. It also states that the water rights status needs to be updated; at the present time, they do not seem to own a sufficient amount of domestic use water right for the proposed service area. The report also suggests that after the loan monies are awarded, the Board will be interested in the proposed operating budgets for the first several years of system operation.

PROJECT DESCRIPTION:

The Phase II project consists of developing a new well and refurbishing an existing well a transmission pipeline, a water distribution system, and a 2 million gallon water storage

tank. The well development will include construction of a well house for water pumping that connects to the distribution system. Water from the tank will be conveyed through the distribution system by gravity.

The communities and subsequent anticipated number of connections which will receive service from Phase II infrastructure construction include:

- Enoch Valley Acres (270 connections)
- Eagle Valley Ranches (27 connections)
- Thorley Ranch (50 connections)
- Park West (50 connections)
- West View Phases 1,2,3,&4 (over 190 connections)
- Northridge Phases 1 & 2 (53 connections)
- Meadow Ranches (200 connections)
- Cedar Springs (246 connections)
- Spring Creek (200 connections)
- Chekshani Cliffs and Camp Creek (86 connections)
- Old Meadow Ranches (23 connections)

ALTERNATIVES EVALUATED:

The consulting engineer evaluated the following system alternatives:

1. Optimizing current facilities (no action).
2. This alternative includes wells, a water tank, and pipeline.
3. The proposed action is the same as the second alternative but includes less pipeline construction.

POPULATION GROWTH:

Over the next 5 years, the number of connections will increase at a rate of approximately 40%, thus increasing the observed population by the same rate. Over the remaining 25 years, the growth will settle into a 2% growth rate. Due to the unusual circumstances surrounding this project regarding growth and regionalization, the numbers provided were from Nolte Engineering as opposed to the Governor's Office of Planning and Budget.

	<u>Year</u>	<u>Population</u>	<u>ERC's</u>
Current:	2006	38311	250
Projected:	2030	164426	5224

IMPLEMENTATION SCHEDULE:

Apply to DWB for Construction Funds:	July 2006
SRF Committee Conference Call:	October 2006
DWB Funding Authorization:	November 2006
Loan Closing	Feb/March 2007
Begin Construction:	Spring 2007
Complete Construction:	Spring 2008

COST ESTIMATE:

Legal	\$15,000
Financial Consultant	\$25,000
Engineering- Planning	\$105,000
Engineering- Design	\$506,000
Engineering- CMS	\$316,250
Engineering- Geotechnical & Survey	\$126,500
Construction- Wells/Well Houses	\$1,350,000
Construction- Distribution Lines	\$3,335,000
Construction- Storage Reservoirs	\$1,640,000
Contingency	\$374,500
Total Project Cost	\$7,793,250

COST ALLOCATION:

The cost allocation proposed for the project is shown below.

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan (2.17%, 20-yr)	\$3,500,000	45%
RD Loan (4.375%, 40-yr)	\$2,625,000	34%
RD Grant	\$875,000	11%
Local Contributions	<u>\$793,250</u>	<u>10%</u>
Total Amount	\$7,793,250	100%

ESTIMATED ANNUAL COST OF WATER SERVICE:

Operation and Maintenance: \$226,668.00
Existing Debt Service: \$435,319
Replacement Reserve Account: \$39,625
Total Debt: \$701,612
of New ERCs for 2008: 252
Revenue from Impact Fees: \$705,600

DDW Debt Service: \$217,576
DDW Debt Reserve: \$21,576
of ERCs: 650

Annual Cost/ERC (650): \$362.04
Cost as % MAGI: 1.32

*** The District will be receiving revenue from impact fees. A snapshot of the first year, when loan repayments begin (2008), shows \$705,600 in revenue from impact fees. These revenues are reflective in the low cost as % of MAGI shown above.**

SPECIAL CONDITIONS:

1. Complete all items as stated in the Engineering Agreement between CICWCD and Nolte Associates, Inc.

Central Iron County Water Conservancy District – Phase II

November 17, 2006

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APPLICANT: Central Iron County Water Conservancy District
88 East Fiddlers Canyons Road, Suite A
Cedar City, Utah 84720
Telephone: (435) 865-9901
Fax: (435) 865-9902

PRESIDING OFFICIAL &
CONTACT PERSON: Scott Wilson, Executive Director
88 East Fiddlers Canyons Road, Suite A
Cedar City, Utah 84720
Telephone: (435) 865-9901
Fax: (435) 865-9902
Email: rwilson@infowest.com

CONSULTING ENGINEER: Rod Mills, P.E.
Nolte
5217 South State Street, Suite 300
Murray, Utah 84107
Telephone: (801) 743-1300
Fax: (801) 743-0300
Email: rod.mills@nolte.com

FINANCIAL CONSULTANT: None Appointed

ATTORNEY: Richard Chamberlain
Chamberlain & Associates
225 North 100 East
Richfield, Utah 84720
Telephone: (435) 896-4461
Fax: (435) 896-5441
Email: rchmbrln@xmission.com

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: CICWCD Phase II

FUNDING SOURCE: Federal SRF

COUNTY: Iron

PROJECT DESCRIPTION: New well, refurbish existing well, transmission line, distribution system, storage tank

100% Loan

ESTIMATED POPULATION:	1,144	NO. OF CONNECTIONS:	650	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$35.00 *			PROJECT TOTAL:	\$7,793,250
CURRENT % OF AGI:	1.54%	FINANCIAL PTS:	61	LOAN AMOUNT:	\$3,500,000
ESTIMATED MEDIAN AGI:	\$27,356			PRINC. FORGIVENESS:	\$0
STATE AGI:	\$33,282			TOTAL REQUEST:	\$3,500,000
SYSTEM % OF STATE AGI:	82%				

	@ ZERO % MKT RATE	@ RBBI RATE	AFTER REPAYMENT PENALTY & POINTS
ASSUMED LENGTH OF DEBT, YRS:	20	20	20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.79%	2.17%
REQUIRED DEBT SERVICE:	\$175,000.00	\$275,870.06	\$217,576.12
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00	\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$17,500.00	\$27,587.01	\$21,757.61
ANNUAL DEBT PER CONNECTION:	\$296.15	\$466.86	\$368.21
O & M + Depreciation:	\$226,668.00	\$226,668.00	\$226,668.00
OTHER DEBT + COVERAGE:	\$435,318.96	\$435,318.96	\$435,318.96
REPLACEMENT RESERVE ACCOUNT:	\$37,496.16	\$42,539.66	\$39,624.96
NEEDED SYSTEM INCOME:	(\$6,116.88)	(\$1,073.38)	(\$3,988.07)
ANNUAL O&M PER CONNECTION:	(\$9.41)	(\$1.65)	(\$6.14)
AVG MONTHLY WATER BILL:	\$23.90	\$38.77	\$30.17
% OF ADJUSTED GROSS INCOME:	1.05%	1.70%	1.32%

* Current water bill is based on 2003 Revenue & number of connections

CICWCD - PHASE II

DWB Loan Terms	
Facility Capital Cost	\$ 7,993,250
Local Share (total)	\$ -
CDRG	\$ -
RD Share	\$ 1,500,000
DWB PF Amount	\$ -
DWB Loan Amount	\$ 3,500,000
DWB Loan Term	20
DWB Loan Interest	2.77%
DWB Loan Payments	\$ 217,536

DWB Expenses (Estimated)	
Facility Capital Cost	\$ 7,993,250
Est. O&M Expenses	\$ 67,376
Prop. O&M Expenses	\$ 228,608
O&M Inflation Factor	3.0%
Building Data Service	\$ -

RD Loan Amount	\$ 2,668,000
RD Loan Term	40
RD Loan Interest	4.275%
RD Loan Payments	\$ 141,341

DWB Revenue Sources (Projected)	
Regulating Club	\$ -
Building Committee (BML)	\$ 200
Proposed Church Room	\$ 99,096
DWB Impact (Current Fee)	\$ 2,800
Current Average Monthly User Charge	\$ 59.00
Proposed Monthly User Charge	\$ 35.00

Banking Water Revenue Projections

Overall Annual Total		Debit		Credit		Net		Debit		Credit		Net		Debit		Credit		Net		Debit		Credit		Net			
Yr.	Rev.	Exp.	Net	Yr.	Rev.	Exp.	Net	Yr.	Rev.	Exp.	Net	Yr.	Rev.	Exp.	Net	Yr.	Rev.	Exp.	Net	Yr.	Rev.	Exp.	Net	Yr.	Rev.	Exp.	Net
2008	188	188	0	2008	188	188	0	2008	188	188	0	2008	188	188	0	2008	188	188	0	2008	188	188	0	2008	188	188	0
2009	251	251	0	2009	251	251	0	2009	251	251	0	2009	251	251	0	2009	251	251	0	2009	251	251	0	2009	251	251	0
2010	349	349	0	2010	349	349	0	2010	349	349	0	2010	349	349	0	2010	349	349	0	2010	349	349	0	2010	349	349	0
2011	469	469	0	2011	469	469	0	2011	469	469	0	2011	469	469	0	2011	469	469	0	2011	469	469	0	2011	469	469	0
2012	609	609	0	2012	609	609	0	2012	609	609	0	2012	609	609	0	2012	609	609	0	2012	609	609	0	2012	609	609	0
2013	769	769	0	2013	769	769	0	2013	769	769	0	2013	769	769	0	2013	769	769	0	2013	769	769	0	2013	769	769	0
2014	949	949	0	2014	949	949	0	2014	949	949	0	2014	949	949	0	2014	949	949	0	2014	949	949	0	2014	949	949	0
2015	1149	1149	0	2015	1149	1149	0	2015	1149	1149	0	2015	1149	1149	0	2015	1149	1149	0	2015	1149	1149	0	2015	1149	1149	0
2016	1379	1379	0	2016	1379	1379	0	2016	1379	1379	0	2016	1379	1379	0	2016	1379	1379	0	2016	1379	1379	0	2016	1379	1379	0
2017	1639	1639	0	2017	1639	1639	0	2017	1639	1639	0	2017	1639	1639	0	2017	1639	1639	0	2017	1639	1639	0	2017	1639	1639	0
2018	1929	1929	0	2018	1929	1929	0	2018	1929	1929	0	2018	1929	1929	0	2018	1929	1929	0	2018	1929	1929	0	2018	1929	1929	0
2019	2249	2249	0	2019	2249	2249	0	2019	2249	2249	0	2019	2249	2249	0	2019	2249	2249	0	2019	2249	2249	0	2019	2249	2249	0
2020	2609	2609	0	2020	2609	2609	0	2020	2609	2609	0	2020	2609	2609	0	2020	2609	2609	0	2020	2609	2609	0	2020	2609	2609	0
2021	3009	3009	0	2021	3009	3009	0	2021	3009	3009	0	2021	3009	3009	0	2021	3009	3009	0	2021	3009	3009	0	2021	3009	3009	0
2022	3459	3459	0	2022	3459	3459	0	2022	3459	3459	0	2022	3459	3459	0	2022	3459	3459	0	2022	3459	3459	0	2022	3459	3459	0
2023	3969	3969	0	2023	3969	3969	0	2023	3969	3969	0	2023	3969	3969	0	2023	3969	3969	0	2023	3969	3969	0	2023	3969	3969	0
2024	4539	4539	0	2024	4539	4539	0	2024	4539	4539	0	2024	4539	4539	0	2024	4539	4539	0	2024	4539	4539	0	2024	4539	4539	0
2025	5179	5179	0	2025	5179	5179	0	2025	5179	5179	0	2025	5179	5179	0	2025	5179	5179	0	2025	5179	5179	0	2025	5179	5179	0
2026	5889	5889	0	2026	5889	5889	0	2026	5889	5889	0	2026	5889	5889	0	2026	5889	5889	0	2026	5889	5889	0	2026	5889	5889	0
2027	6669	6669	0	2027	6669	6669	0	2027	6669	6669	0	2027	6669	6669	0	2027	6669	6669	0	2027	6669	6669	0	2027	6669	6669	0
2028	7529	7529	0	2028	7529	7529	0	2028	7529	7529	0	2028	7529	7529	0	2028	7529	7529	0	2028	7529	7529	0	2028	7529	7529	0
2029	8469	8469	0	2029	8469	8469	0	2029	8469	8469	0	2029	8469	8469	0	2029	8469	8469	0	2029	8469	8469	0	2029	8469	8469	0
2030	9489	9489	0	2030	9489	9489	0	2030	9489	9489	0	2030	9489	9489	0	2030	9489	9489	0	2030	9489	9489	0	2030	9489	9489	0
2031	10589	10589	0	2031	10589	10589	0	2031	10589	10589	0	2031	10589	10589	0	2031	10589	10589	0	2031	10589	10589	0	2031	10589	10589	0
2032	11769	11769	0	2032	11769	11769	0	2032	11769	11769	0	2032	11769	11769	0	2032	11769	11769	0	2032	11769	11769	0	2032	11769	11769	0
2033	13029	13029	0	2033	13029	13029	0	2033	13029	13029	0	2033	13029	13029	0	2033	13029	13029	0	2033	13029	13029	0	2033	13029	13029	0
2034	14369	14369	0	2034	14369	14369	0	2034	14369	14369	0	2034	14369	14369	0	2034	14369	14369	0	2034	14369	14369	0	2034	14369	14369	0
2035	15789	15789	0	2035	15789	15789	0	2035	15789	15789	0	2035	15789	15789	0	2035	15789	15789	0	2035	15789	15789	0	2035	15789	15789	0
2036	17289	17289	0	2036	17289	17289	0	2036	17289	17289	0	2036	17289	17289	0	2036	17289	17289	0	2036	17289	17289	0	2036	17289	17289	0
2037	18869	18869	0	2037	18869	18869	0	2037	18869	18869	0	2037	18869	18869	0	2037	18869	18869	0	2037	18869	18869	0	2037	18869	18869	0
2038	20529	20529	0	2038	20529	20529	0	2038	20529	20529	0	2038	20529	20529	0	2038	20529	20529	0	2038	20529	20529	0	2038	20529	20529	0
2039	22269	22269	0	2039	22269	22269	0	2039	22269	22269	0	2039	22269	22269	0	2039	22269	22269	0	2039	22269	22269	0	2039	22269	22269	0
2040	24089	24089	0	2040	24089	24089	0	2040	24089	24089	0	2040	24089	24089	0	2040	24089	24089	0	2040	24089	24089	0	2040	24089	24089	0
2041	25989	25989	0	2041	25989	25989	0	2041	25989	25989	0	2041	25989	25989	0	2041	25989	25989	0	2041	25989	25989	0	2041	25989	25989	0
2042	27969	27969	0	2042	27969	27969	0	2042	27969	27969	0	2042	27969	27969	0	2042	27969	27969	0	2042	27969	27969	0	2042	27969	27969	0
2043	29999	29999	0	2043	29999	29999	0	2043	29999	29999	0	2043	29999	29999	0	2043	29999	29999	0	2043	29999	29999	0	2043	29999	29999	0
2044	32079	32079	0	2044	32079	32079	0	2044	32079	32079	0	2044	32079	32079	0	2044	32079	32079	0	2044	32079	32079	0	2044	32079	32079	0
2045	34209	34209	0	2045	34209	34209	0	2045	34209	34209	0	2045	34209	34209	0	2045	34209	34209	0	2045	34209	34209	0	2045	34209	34209	0
2046	36389	36389	0	2046	36389	36389	0	2046	36389	36389	0	2046	36389	36389	0	2046	36389	36389	0	2046	36389	36389	0	2046	36389	36389	0
2047	38619	38619	0	2047	38619	38619	0	2047	38619	38619	0	2047	38619	38619	0	2047	38619	38619	0	2047	38619	38619	0	2047	38619	38619	0
2048	40899	40899	0	2048	40899	40899	0	2048	40899	40899	0	2048	40899	40899	0	2048	40899	40899	0	2048	40899	40899	0	2048	40899	40899	0
2049	43229	43229	0	2049	43229	43229	0	2049	43229	43229	0	2049	43229	43229	0	2049	43229	43229	0	2049	43229	43229	0	2049	43229	43229	0
2050	45609	45609	0	2050	45609	45609	0	2050	45609	45609	0	2050	45609	45609	0	2050	45609	45609	0	2050	45609	45609	0	2050	45609	45609	0
2051	48039	48039	0	2051	48039	48039	0	2051	48039	48039	0	2051	48039	48039	0	2051	48039	48039	0	2051	48039	48039	0	2051	48039	48039	0
2052	50509	50509	0	2052	50509	50509	0	2052	50509	50509	0	2052	50509	50509	0	2052	50509	50509	0	2052	50509	50509	0	2052	50509	50509	0
2053	53029	53029	0	2053	53029	53029	0	2053	53029	53029	0	2053	53029	53029	0	2053	53029	53029	0	2053	53029	53029	0	2053	53029	53029	0
2054	55599	55599	0	2054	55599	55599	0	2054	55599	55599	0	2054	55599	55599													

80% of Projected Growth

I/M Message Service (Highway)	
Registered Club:	\$ -
Existing Customers (2015)	200
Proposed Growth Rate:	99.0%
I/M Impact/Customers Per:	2,300
Customer Average Monthly Use Charge:	\$ 35.00
Proposed Monthly Use Charge:	\$ 35.00

Enterprise Water Business Performance															
Growth & Annual Totals										Financial Summary					
Year	YoY Growth (%)	Projected Growth (%)	Annual Revenue (\$B)	Annual Profit (\$B)	Annual EBITDA (\$B)	Loans Issued (\$B)	User Charge (\$/user)	Impact Fee (\$/unit)	Total Revenue (\$B)	DWB Loan Repayment (\$B)	DWB Loan Outstanding (\$B)	RDW Loan Repayment (\$B)	RDW Loan Outstanding (\$B)	Remaining Principle (\$B)	
Principle Payment (\$B)	Principle Payment (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	Interest (\$B)	
2009	63.0%	50.4%	201	599	251,460	561,638	813,066	217,000	21,758	3,338,930	141,050	73,950	548,343	14,134	2,632,207
2010	37.0%	29.6%	177	776	325,826	496,113	831,939	217,000	21,758	3,314,939	144,111	72,889	548,343	14,134	2,595,900
2011	28.0%	22.4%	174	940	398,811	486,566	885,377	217,000	21,758	3,067,601	147,238	69,762	548,343	14,134	2,538,128
2012	24.0%	19.2%	182	1,132	475,382	510,477	985,860	217,000	21,758	2,917,168	150,433	66,567	548,343	14,134	2,479,987
2013	16.0%	12.8%	145	1,277	538,231	405,659	941,091	217,000	21,758	2,763,471	153,697	63,303	548,343	14,134	2,508,886
2014	9.0%	7.2%	92	1,369	574,840	257,391	832,331	217,000	21,758	2,606,438	157,073	59,967	548,343	14,134	2,477,307
2015	7.0%	5.6%	77	1,445	607,031	214,607	821,838	217,000	21,758	2,445,998	160,440	56,580	548,343	14,134	2,444,346
2016	4.0%	3.2%	46	1,492	638,456	129,300	755,916	217,000	21,758	2,282,076	163,922	53,078	548,343	14,134	2,409,944
2017	4.0%	3.2%	48	1,539	666,502	133,644	780,146	217,000	21,738	2,114,597	167,479	49,521	548,343	14,134	2,374,056
2018	4.0%	3.2%	49	1,589	697,190	147,134	805,131	217,000	21,738	1,943,484	171,113	45,887	548,343	14,134	2,336,158
2019	4.0%	3.2%	51	1,639	728,540	161,166	830,874	217,000	21,758	1,768,657	174,826	42,174	548,343	14,134	2,297,440
2020	3.0%	2.4%	30	1,679	762,065	110,166	815,232	217,000	21,758	1,590,037	178,620	38,380	548,343	14,134	2,256,610
2021	3.0%	2.4%	40	1,719	791,987	113,810	834,797	217,000	21,758	1,407,341	182,496	34,504	548,343	14,134	2,213,594
2022	3.0%	2.4%	41	1,760	821,518	115,518	854,811	217,000	21,758	1,231,085	186,456	30,544	548,343	14,134	2,169,514
2023	3.0%	2.4%	42	1,801	851,058	117,280	875,349	217,000	21,758	1,050,382	190,502	26,498	548,343	14,134	2,123,086
2024	2.0%	1.6%	29	1,831	881,171	120,753	899,924	217,000	21,758	835,946	194,636	22,364	548,343	14,134	2,074,630
2025	2.0%	1.6%	29	1,861	911,478	122,043	925,353	217,000	21,758	637,086	198,860	18,140	548,343	14,134	2,024,053
2026	2.0%	1.6%	30	1,890	941,982	123,338	951,359	217,000	21,758	433,911	203,175	13,825	548,343	14,134	1,971,263
2027	2.0%	1.6%	30	1,921	972,685	124,641	977,377	217,000	21,758	228,326	207,584	9,416	548,343	14,134	1,916,163
2028	2.0%	1.6%	31	1,951	1,003,592	125,946	1,003,639	217,000	21,758	0	228,327	4,911	548,343	14,134	1,858,652
2029	2.0%	1.6%	31	1,983	1,034,708	127,247	1,034,754	217,000	21,758	0	228,327	4,911	548,343	14,134	1,796,626
2030	2.0%	1.6%	32	2,014	1,066,029	128,548	1,066,076	217,000	21,758	0	228,327	4,911	548,343	14,134	1,734,590
2031	1.0%	0.8%	16	2,030	1,097,357	129,849	1,097,404	217,000	21,758	0	228,327	4,911	548,343	14,134	1,672,554
2032	2.0%	1.6%	32	2,063	1,128,684	131,150	1,128,731	217,000	21,758	0	228,327	4,911	548,343	14,134	1,610,518
2033	2.0%	1.6%	33	2,096	1,159,999	132,451	1,159,046	217,000	21,758	0	228,327	4,911	548,343	14,134	1,548,482
2034	2.0%	1.6%	34	2,129	1,191,314	133,752	1,191,359	217,000	21,758	0	228,327	4,911	548,343	14,134	1,486,446
2035	2.0%	1.6%	35	2,162	1,222,629	135,053	1,222,674	217,000	21,758	0	228,327	4,911	548,343	14,134	1,424,410
2036	1.5%	1.2%	26	2,172	1,232,364	135,787	1,232,412	217,000	21,758	0	228,327	4,911	548,343	14,134	1,362,374
2037	2.0%	1.6%	35	2,207	1,263,679	137,088	1,263,724	217,000	21,758	0	228,327	4,911	548,343	14,134	1,300,338
2038	1.5%	1.2%	26	2,234	1,294,994	138,389	1,295,039	217,000	21,758	0	228,327	4,911	548,343	14,134	1,238,302
2039	1.5%	1.2%	27	2,260	1,326,309	139,690	1,326,354	217,000	21,758	0	228,327	4,911	548,343	14,134	1,176,266
2040	1.5%	1.2%	27	2,287	1,357,624	140,991	1,357,669	217,000	21,758	0	228,327	4,911	548,343	14,134	1,114,230
2041	0.8%	0.6%	14	2,301	1,388,939	142,292	1,388,984	217,000	21,758	0	228,327	4,911	548,343	14,134	1,052,194
2042	0.3%	0.1%	2	2,303	1,420,254	143,593	1,420,299	217,000	21,758	0	228,327	4,911	548,343	14,134	990,158
2043	0.0%	0.0%	0	2,303	1,451,569	144,894	1,451,614	217,000	21,758	0	228,327	4,911	548,343	14,134	928,122
2044	0.0%	0.0%	0	2,303	1,482,884	146,195	1,482,929	217,000	21,758	0	228,327	4,911	548,343	14,134	866,086
2045	0.1%	0.1%	2	2,305	1,514,199	147,496	1,514,244	217,000	21,758	0	228,327	4,911	548,343	14,134	804,050
2046	0.0%	0.0%	0	2,305	1,545,514	148,797	1,545,559	217,000	21,758	0	228,327	4,911	548,343	14,134	741,994
2047	0.1%	0.1%	2	2,307	1,576,829	150,098	1,576,874	217,000	21,758	0	228,327	4,911	548,343	14,134	679,958
2048	0.1%	0.0%	2	2,308	1,608,144	151,399	1,608,189	217,000	21,758	0	228,327	4,911	548,343	14,134	617,922
2049	0.1%	0.0%	2	2,309	1,639,459	152,700	1,639,504	217,000	21,758	0	228,327	4,911	548,343	14,134	555,886
2050	0.1%	0.0%	2	2,310	1,670,774	154,001	1,670,819	217,000	21,758	0	228,327	4,911	548,343	14,134	493,850
2051	0.1%	0.0%	2	2,311	1,702,089	155,302	1,702,134	217,000	21,758	0	228,327	4,911	548,343	14,134	431,814
2052	0.1%	0.0%	2	2,312	1,733,404	156,603	1,733,449	217,000	21,758	0	228,327	4,911	548,343	14,134	369,778
2053	0.1%	0.0%	2	2,313	1,764,719	157,904	1,764,764	217,000	21,758	0	228,327	4,911	548,343	14,134	307,742
2054	0.1%	0.0%	2	2,314	1,796,034	159,205	1,796,079	217,000	21,758	0	228,327	4,911	548,343	14,134	245,706
2055	0.1%	0.0%	2	2,315	1,827,349	160,506	1,827,394	217,000	21,758	0	228,327	4,911	548,343	14,134	183,670
2056	0.1%	0.0%	2	2,316	1,858,664	161,807	1,858,709	217,000	21,758	0	228,327	4,911	548,343	14,134	121,634
2057	0.1%	0.0%	2	2,317	1,889,979	163,108	1,890,024	217,000	21,758	0	228,327	4,911	548,343	14,134	59,598
2058	0.1%	0.0%	2	2,318	1,921,294	164,409	1,921,339	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2059	0.1%	0.0%	2	2,319	1,952,609	165,710	1,952,654	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2060	0.1%	0.0%	2	2,320	1,983,924	167,011	1,983,969	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2061	0.1%	0.0%	2	2,321	2,015,239	168,312	2,015,284	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2062	0.1%	0.0%	2	2,322	2,046,554	169,613	2,046,599	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2063	0.1%	0.0%	2	2,323	2,077,869	170,914	2,077,914	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2064	0.1%	0.0%	2	2,324	2,109,184	172,215	2,109,229	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2065	0.1%	0.0%	2	2,325	2,140,499	173,516	2,140,544	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2066	0.1%	0.0%	2	2,326	2,171,814	174,817	2,171,859	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2067	0.1%	0.0%	2	2,327	2,203,129	176,118	2,203,174	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2068	0.1%	0.0%	2	2,328	2,234,444	177,419	2,234,489	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2069	0.1%	0.0%	2	2,329	2,265,759	178,720	2,265,804	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2070	0.1%	0.0%	2	2,330	2,297,074	180,021	2,297,119	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2071	0.1%	0.0%	2	2,331	2,328,389	181,322	2,328,434	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2072	0.1%	0.0%	2	2,332	2,359,704	182,623	2,359,749	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2073	0.1%	0.0%	2	2,333	2,391,019	183,924	2,391,064	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2074	0.1%	0.0%	2	2,334	2,422,334	185,225	2,422,379	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2075	0.1%	0.0%	2	2,335	2,453,649	186,526	2,453,694	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2076	0.1%	0.0%	2	2,336	2,484,964	187,827	2,485,009	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2077	0.1%	0.0%	2	2,337	2,516,279	189,128	2,516,324	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2078	0.1%	0.0%	2	2,338	2,547,594	190,429	2,547,639	217,000	21,758	0	228,327	4,911	548,343	14,134	-
2079	0.1%	0.0%	2	2,339											

11085 Central Iron County WCD
Compliance Report
August 14, 2006

Administration:

No issues.

Operator Certification:

The system needs a Small System Certified Operator.

Bacteriological Information:

The system sampled for total coliforms in July. This sampling needs to continue every month of operation.

Chemical Monitoring:

The system needs to monitor the Fielding/Derby well for nitrates and VOC's in 2006.

Lead/Copper:

The system needs to complete its initial lead/copper monitoring requirements including five samples during the second half of 2006 and during the first half of 2007.

Consumer Confidence Report

The first Consumer Confidence Report is due July 1, 2007 covering calendar year 2006.

Physical Facilities:

No issues.

Drinking Water Source Protection:

Fielding/Derby Well (WS001): The DWSP Plan has been submitted for this well, and is awaiting review. No other issues for the Fielding Well.

Derby Well #2 (WS002): A PER must be submitted for this well. Original location was changed, so a new PER must be developed for this well.

Engineering Plan Review:

Several Plans and Specs for various projects have been received and are at various stages of review. None have received Operating Permits as of yet.

Engineering has no concerns. Scott Hacking has been reviewing plans and specifications for the system, conducting field inspections, and issuing operating permits for construction.

AGENDA ITEM 9

MINIMUM PRESSURE RULE

Bill Birkes

**EFFECTIVE DATE FOR
RULE AMENDMENT
DEALING WITH MINIMUM WATER PRESSURE**

Division staff recently filed a rule amendment to R309-105-9 with the Division of Administrative Rules for publication in the October 1, 2006 issue of the Utah State Bulletin.

The amendment was:

R309. Environmental Quality, Drinking Water.

R309-105. Administration: General Responsibilities of Public Water Systems.

R309-105-9. Minimum Water Pressure.

(1) Unless otherwise specifically approved by the Executive Secretary, no water supplier shall allow any connection to the water system where the dynamic water pressure at the point of connection will fall below 20 psi during the normal operation of the water system. Water systems approved prior to January 1, 2007, are required to maintain the above minimum dynamic water pressure at all locations within their distribution system. Existing public drinking water systems, approved prior to January 1, 2007, which expand their service into new areas or supply new subdivisions shall meet the minimum dynamic water pressure requirements in R309-105-9(2) at any point of connection in the new service areas or new subdivisions.

(2) Unless otherwise specifically approved by the Executive Secretary, new public drinking water systems constructed after [March 1, 2006]January 1, 2007 shall be designed and shall meet the following minimum water pressures at points of connection:

(a) 20 psi during conditions of fire flow and fire demand experienced during peak day demand;

(b) 30 psi during peak instantaneous demand; and

(c) 40 psi during peak day demand.

(3) Individual home booster pumps are not allowed as indicated in R309-540-5(4)(c).

KEY: drinking water, watershed management

Date of Enactment or Last Substantive Amendment: ~~[March 8, 2006]~~2006

Notice of Continuation: May 16, 2005

Authorizing, and Implemented or Interpreted Law: 19-4-104; 63-46b-4

The period for public comment closed at 5:00 p.m. on October 31st and to date we have not received any comments; negative or positive concerning the amendments. The Board may make the rule effective on any date between today and January 29, 2007.

STAFF RECOMMENDATIONS: Staff suggests Board select January 1st, 2007 as the effective date for this amendment and authorize staff to proceed with the necessary filing.

AGENDA 10

PROPOSED RULE POLITICAL SUBDIVISION RULE
Ken Wilde

PROPOSED AMENDMENTS TO RULE CONCERNING POLITICAL SUBDIVISIONS

As requested by the Board, staff have reviewed existing rule and after discussions with Fred Nelson of the Attorney General's Office offer the following as proposed amendments to rule concerning the management and control of drinking water system serving housing subdivisions.

Staff Recommendation: Board review the proposed changes and if they agree authorize staff to file a Notice of Proposed Rule or Change with the Division of Administrative Rules for publication in December 15th Edition of the Utah Bulletin.

R309. Environmental Quality, Drinking Water.

R309-110. Administration: Definitions.

R309-110-4. Definitions.

As used in R309:

"Action Level" means

"Body Politic" means the State or its agencies or any political subdivision of the State to include a county, city, town, improvement district, taxing district or any other governmental subdivision or public corporation of the State.

"Political Subdivision" means any county, city, town, improvement district, metropolitan water district, water conservancy district, special service district, drainage district, irrigation district, separate legal or administrative entity created under Title 11, Chapter 13, Interlocal Cooperation Act, or any other entity constituting a political subdivision under the laws of Utah.

"Zone of Influence" corresponds to area of the upper portion of the cone of depression as described in "Groundwater and Wells," second edition, by Fletcher G. Driscoll, Ph.D., and published by Johnson Division, St. Paul, Minnesota.

R309. Environmental Quality, Drinking Water.

R309-100. Drinking Water Program.

R309-100-4. General.

These rules shall apply to all public drinking water systems within the State of Utah.

(1) A public drinking water system is a system, either publicly or privately owned, providing water for human consumption and other domestic uses, which:

(a) Has at least 15 service connections, or

(b) Serves an average of at least 25 individuals daily at least 60 days out of the year.

(c) A ratio of 3.13 persons per connection shall be used to calculate the population served unless more accurate information is available. The ratio is based on the statewide average persons per residence in the 2000 census. Therefore, notwithstanding the above stated threshold for the number of service connections, a drinking water system consisting of at least 8 service connections shall be deemed to serve 25 people and consequently be classified as a public drinking water system. This ratio shall only be used to determine whether any particular water system is considered a public water system. Any person or entity may challenge this provision by submitting documentation to the Executive Secretary showing that the drinking water system, upon complete build out, falls below both thresholds listed in (a) and (b) above. All decisions made by the Executive Secretary may be appealed to the Drinking Water Board.

(d) Submetered Properties.

(i) Submetered Properties means a billing process by which a property owner (or association of property owners, in the case of co-ops or condominiums) bills tenants based on metered total water use; the property owner is then responsible for payment of a water bill from a public water system.

(ii) A property owner who installs submeters to track usage of water by tenants on his or her property shall not be subject to these rules solely as a result of taking the administrative act of submetering and billing.

(iii) Owners of submetered properties shall receive all their water from a regulated public water system to qualify under the terms of R309-105-5 for exemption from monitoring requirements, except as to the selling of water.

(iv) This is not intended to exempt systems where the property in question has a large distribution system (piping in excess of 500 feet in length and sized larger than the normal service lateral based on a fixture unit analysis) serves a large population or serves a mixed (commercial/residential) population (e.g. many military installations/facilities or large mobile home parks or P.U.D's) from regulation as a public drinking water system as pertains to notifying the Division of the persons indicated below in (3) or plan review of modifications or changes to their systems (refer to R309-500).

(e) The term public drinking water system includes collection, treatment, storage or distribution facilities under control of the operator and used primarily in connection with the system. Additionally, the term includes collection, pretreatment or storage facilities used primarily in connection with the system but not under such control (see 19-4-102 of the Utah Code Annotated). All public water systems are further categorized into three different types, community water (CWS), non-transient non-community water (NTNCWS), and transient non-community water (TNCWS).

(f) Management and Control of Community and Certain Non-Community Public Drinking Water Systems.

(i) Beginning (Date set by Board) any new public drinking water system categorized as a community water system or a public water system serving water to multiple property owners no matter how the system is categorized shall be under the sponsorship of a body politic as defined in R309-110-4.

(ii) Existing privately owned public drinking water systems which propose to expand their service to new subdivisions shall comply with R309-100-4(1)(f)(i) before the Division will approve any plans and specifications for expanded service facilities or pipelines.

(2) Categories of Public Drinking Water Systems

Public drinking water systems are divided into three categories, as follows:

(a) "Community water system" means a public drinking water system which serves at least 15 service connections used by year-round residents or regularly serves at least 25 year-round residents.

(b) "Non-transient, non-community water system" means a public water system that is not a community water system and that regularly serves at least 25 of the same nonresident persons over six months per year. Examples of such systems are those serving the same individuals (industrial workers, school children, church members) by means of a separate system.

(c) "Transient non-community water system" (TNCWS) means a non-community public water system that does not serve 25 of the same nonresident persons per day for more than six months per year. Examples of such systems are those, RV park, diner or convenience store where the permanent nonresident staff number less than 25, but the number of people served exceeds 25.

(d) The distinctions between "Community", "Non-transient, non-community", and Transient Non-community water systems are important with respect to monitoring and water quality requirements.

(3) Responsibility

(a) All public drinking water systems must have a person or organization designated as the owner of the system. The name, address and phone number of this person or organization shall be supplied, in writing, to the Board.

(b) The name of the person to be contacted on issues concerning the operation and maintenance of the system shall also be provided, in writing, to the Board.

AGENDA 12

- c) APPROVAL OF THE 2007 BOARD MEETING
SCHEDULE

DRINKING WATER BOARD

2007 MEETING SCHEDULE

Date	Place	Tour	Lunch	Notes
January 12, 2007	Salt Lake City, UT	Yes		Jordan Valley WCD R/O Treatment Plant Tour Room 101 all day
March 2, 2007	St. George, UT	Yes		Washington County Regionalization Tour
May 11, 2007	Park City, UT	Yes		Mountain Regional Tour
July 13, 2007	Cedar City, UT	Yes		Central Iron County Regionalization Tour
September 14, 2007	Salt Lake City, UT	No		Board Training in the a.m. Room 101 all day
October 12, 2007	Salt Lake City, UT	No		Board Training in the a.m. Room 101 all day
November 16, 2007	Salt Lake City, UT	No		Joint work meeting with the Water Quality Board (morning) - 101 Lunch and then Individual Board meetings (afternoon) 101 us – do up 201 WQ – do up

DRINKING WATER BOARD FINANCIAL ASSISTANCE SUBMITTAL SCHEDULE 2007

APPLICATION CUT-OFF DATE		SRF PACKET MAILING DATE		SRF CONF CALL DATE		DWB PACKET DEADLINE DATE		DWB MEETING DATE
November 9, 2006	4 weeks (approximately)	December 6, 2006	1 week (approximately)	December 13, 2006 Wed. 9:00 AM	1 week (approximately)	December 28, 2006 Thursday BY NOON	2 weeks (approximately)	January 12, 2007
January 2, 2007		January 29, 2007		February 7, 2007 Wed. 9:00 AM		February 15, 2007 Thursday BY NOON		March 2, 2007
March 12, 2007		April 9, 2007		April 18, 2007 Wed. 9:00 AM		April 26, 2007 Thursday BY NOON		May 11, 2007
May 14, 2007		June 11, 2007		June 20, 2007 Wed. 9:00 AM		June 28, 2007 Thursday BY NOON		July 13, 2007
July 16, 2007		August 13, 2007		August 22, 2007 Wed. 9:00 AM		August 30, 2007 Thursday BY NOON		September 14, 2006
August 13, 2007		September 10, 2007		September 19, 2007 Wed. 9:00 AM		September 27, 2007 Thursday BY NOON		October 12, 2007
September 17, 2007		October 15, 2007		October 24, 2007 Wed. 9:00 AM		November 1, 2007 Thursday BY NOON		November 16, 2007
November 5, 2007		December 3, 2007		December 12, 2007 Wed. 9:00 AM		December 27, 2007 Thursday BY NOON		January 11, 2008

AGENDA 12

- f) TWENTY-FIVE (25) WORST DRINKING WATER
SYSTEMS

Utah's 25 Worst Systems

11/7/2006

Rank	prev. rank	Type	County	System Name	Admin-istrative	Certified Operator	Sampling	Quality	Physical Facilities	Pending	Public Notice	Total	Comments
1	1	Com	Tooele	West Erda Improvement District	0	0	305	0	195	0	0	500	taken over by Tooele County
2	2	Com	Iron	Fifetown Water System	205	30	70	0	145	0	0	450	Current AG referral and EPA A.O.
3	3	NC	Wasatch	The Other End	-10	0	185	120	83	0	10	388	compli decision to be made 11/8/06
4	22	NC	Box Elder	Beaver Dam Church	185	0	55	40	66	0	0	346	Attorney General referral
5	9	NC	Duchesne	Red Creek Ranches	200	0	110	0	0	0	0	310	A.O. issued - sys working on issues
6	6	Com	Washington	Cedar Point Water Company	150	0	120	0	0	0	0	270	compli decision to be made 11/8/06
7	18	NC	Box Elder	Doug Fife Scout Ranch	150	0	95	0	23	0	0	268	A.O. pending
8	8	NC	Weber	Camp Kiesel	150	0	110	0	0	0	0	260	compli decision to be made 11/8/06
9	10	NTNC	Utah	New Heaven-Spanish Fork Can	140	0	35	40	4	0	0	219	Given more time to submit plans
10	14	NC	Beaver	Arrowhead Investments INC	180	0	35	0	1	0	0	216	A.O. pending
11	11	NC	Kane	Long Valley Estates	150	0	35	0	29	0	0	214	compli decision to be made 11/8/06
12	12	Nc	Cache	Cinnamon Creek B Area	150	0	35	0	22	0	0	207	compli decision to be made 11/8/06
13	13	Nc	Summit	Beaver Creek Inn	40	0	35	40	80	0	10	205	compli decision to be made 11/8/06
14	14	Com	Plute	Circleville	50	0	55	0	100	0	0	205	compli decision to be made 11/8/06
15	16	Com	Box Elder	Beaver Dam	150	0	0	0	55	0	0	205	Attorney General referral
16	16	Nc	Cache	Beaver Creek Lodge	150	0	40	0	13	0	0	203	compli decision to be made 11/8/06
17	17	Com	Rich	Garden City	150	-10	0	0	57	0	0	197	compli decision to be made 11/8/06
18	18	NC	Salt Lake	Tracy Wigwam Boy Scout Cmp	5	0	90	0	98	0	0	193	compli decision to be made 11/8/06
19	19	NC	Summit	Christmas Meadows C G	0	0	130	0	55	0	0	185	compli decision to be made 11/8/06
20	20	Com	Millard	Meadow	30	-10	70	80	5	0	10	185	compli decision to be made 11/8/06
21	7	Com	Carbon	Spring Glen Water Co.	50	30	105	0	0	0	0	185	A.O. sent
22	5	Com	Washington	Diamond Ranch Academy	150	-10	35	0	0	0	0	175	Certified operator warning letter
23	23	NC	Wasatch	Little Deer Creek	45	0	35	0	90	0	0	170	compli decision to be made 11/8/06
24	24	Com	Wasatch	Country Estates Mobile Homes	30	30	55	0	55	0	0	170	compli decision to be made 11/8/06
25	25	Com	Weber	Pole Patch Water Sysem	10	0	140	0	20	0	0	170	compli decision to be made 11/8/06